

Appendix 3-E :
Social Analysis

This Appendix provides information on the consultations, document analysis and sets out some recommendations for land acquisition. This Draft Final Report contains completed social and demographic profiles based on ADB Social and Poverty Analysis Checklists presented in Appendix C of this report. The first page of each checklist is omitted as it is for ADB completion. A sampling of photos from the site visit to the first of three reviewed PPP projects is Appendix A. Two maps are provided in the Appendix that address Poverty and the Expressway Masterplan and a Demographic Map of Viet Nam. A Land Acquisition spread sheet is the final Appendix that provides some information on the amount of land to be acquired, households affected and costs as reported in documentation.

Appendix 3A is divided into four chapters. The first chapter follows from Chapter 1.3.4 and provides additional social information. Chapter Two outlines stakeholder consultations. Chapter Three provides supplementary information to Chapter 3.5 and includes a table of potential recommended actions to help VEC proceed on land acquisition. Chapter Four provides the workplan of activities for the Social Development Team.

1. Social Indicators and Poverty

Expressway Development can support poverty reduction. In the Viet Nam context this is through:

- Increased trade
- Tourism and
- Commercial development around the tolling stations.

As stated in Section 1.3.4 Viet Nam has made remarkable progress in meeting the UN Millennium Development Goals. Very few nations have met this goal of cutting poverty by half.

From the UN Development Review Team, “The main impetus for poverty reduction in Viet Nam has been economic growth, which has averaged seven percent per annum since the introduction of doi moi reforms in 1986. Growth has been pro-poor in Viet Nam in the sense that the rate of poverty reduction has kept pace with economic reforms.”¹

In the area of pro-poor investment the government has invested in roads, irrigation systems, sanitation. According to the UN Review Team the World Bank’s analysis of public spending on *infrastructure* has greatly reduced poverty and that impact of large infrastructure projects has been greatest in the poorest provinces. The World Bank also found that *transport* and water and sanitation projects contributed most to poverty reduction. The Appendix provides a map that shows the Expressway Masterplan and Poverty Situation. The Masterplan provides an opportunity of

¹ United Nations Review Team, The Millennium Development Goals and Viet Nam’s Social Economic Development Plan 2006-2010. See Page 5 of Chapter 2.

poverty reduction through GMS, increased trade and exports and supporting economic development along the alignment.

Table 1 shows the achievement from 1993 to 2004 of the continuing decline in the poorest in Viet Nam who live on less than \$1 per day.

Table 1 % Percentage of Persons Living on less that \$1 per day

Year	Percentage
1993	39.9
2002	13.6
2004	10.6

Source: United Nations Review Team, The Millennium Development Goals and Viet Nam's Social Economic Development Plan 2006-2010

As the Poverty Expressway Map indicates Expressways 1,10,18,19 and 21 cut through some of the poorest regions of the country.

These Expressways will:

- Shorten the travel time of farmer's agricultural products on large containers/lorries using the new Expressway;
- Promote tourism especially China; and
- Generate employment via the Investor and construction activities for poor men and women living near the alignment with increased income.

Millions of people in Viet Nam subsist on incomes that are just a little above the poverty line and one report suggests that 10 million people subsist on incomes within ten percent of the official poverty line.

2. Social Analysis Findings

2.1 Ethnic Minorities

The next table provides some basic information on the seven (7) projects that have been preliminarily screened for ethnic minority characteristics. Of these seven projects, four (4) have been screened. Two (2) have been categorized as Category A and two have been categorized as Category B. Category A for ADB funded projects requires an Ethnic Minority Development Plan (EMDP), however, as these projects are not currently scheduled to be funded (not the three proposed PPP projects) by the ADB it is the Social Team's opinion that an Ethnic Minority Plan will not be a VEC requirement with foreign, domestic and government financing. The Domestic Social Development Specialist is reviewing this issue.

Category A requires an Ethnic Minority Plan which provides a set of activities that will mitigate any negative aspects of a development project funded by the ADB. Category B has been applied based on the population of ethnic minorities. As

Project 16 B indicates, *it is suggested that Special measure (s) to be Designed in the Resettlement Plan and in the Social Action Plan and accompanying Gender Plan as well as Community Participation Strategy.* This measure would probably apply to the Expressway if a bilateral or a multilateral donor funded was part of the Investor Consortium. Alternatively, depending on VEC and Government of Viet Nam requirements by law, this project may just require standard land acquisition. It is suggested that special measures be taken to ensure ethnic minorities are not marginalized or negatively impacted by expressway projects.

Table 2 Number of Ethnic Minorities and the Expressway Masterplan

Name of Expressway	Number of Ethnic Minority Groups	Name of Ethnic Minorities in each Province	ADB Category ²
1. Lang Son – Bac Giang – Bac Ninh	7	Tay, Thai, Muong, Nung, Mong, Yao, San Chay, San Chi	A
9. Hoa Lac – Cam Lo – La Son	7	Muong, Dao, Thai, Nung, Cham, Xo Dang	A
10. Doan Hung – Hoa Lac	4	Yao, San Diu, Muong, Thai	Under preparation
11. Ngoc Hoi – Chon Thanh	6	Gia rai, Ba Na, Gie Trieng, Brau, Ro Nam, Cho Ro	Under Preparation
16. Ha Noi – Thai Nguyen	5	Tay, Nung, Yao, San Chay, San Diu	B
20. Hoa Lac – Hoa Binh	1	Muong	Under preparation
24. Dau Giay – Da Lat ³	6	Ma, Mnong, Ra glay, Co Ho, Xtieng, Cho Ro, Chu Ru	B

Source: Consultants

Ethnic minorities in Viet Nam make up 14 percent of the Viet Nam population, however they account for 29 percent of the poor.⁴

2.2 Health

Many road, highway and expressway projects that receive donor funding provide an HIV/AIDS component especially for workers that come to the construction sites as they maybe from a different province and for residents of local communes.

The next table provides the list of provinces with the highest HIV Infection rates.

Table 3 Provinces/Cities with Higest HIV Infection

² This category is applicable to ADB projects. Other Investor type projects may not require such detailed ethnic minority planning.

³ There is only 10% ethnic minority living along this alignment (according to PFS, TED1 1/2005)

⁴ See UN Study Team's Chapter on Poverty Reduction, Chapter 2, page 4.

Number	Province/City	HIV infected cases/100,000 population
1.	Quang Ninh	572
2.	Hai Phong	332
3.	Ho Chi Minh City	248
4.	Ba Ria-Vung Tau	229
5.	An Giang	184
6.	Ha Noi	175
7.	Lang Son	151
8.	Cao Bang	128
9.	Khanh Hoa	102
10.	Binh Duong	95
11.	Dong Nai	92
12.	Thai Nguyen	91

Source: Department on Preventive Health and HIV/AIDS Prevention, Ministry of Health, 2004

For the final ADB PPP Expressway Project the Social Action Plan that is required should prepare an HIV/AIDS strategy for the project sites for both workers and communities to reduce the chance of spreading HIV/AIDS. The strategy should be implemented by a Community Health Worker.

2.3 Gender

The Social Development Team met with the Viet Nam Women's Union (VWU). The information provided was especially interesting as VWU has been engaged on several ADB funded projects including an infrastructure project with the Ministry of Construction.

The Social Team agreed with a number of suggestions made by VWU that are elaborated in the next table.

Table 4 Gender and Expressway Issues

Issue	VWU Approach	VEC Potential Approach
Compensation Committee in Province has women Members	Use the Provincial Compensation Committee with women members	Women on Provincial Committees and NCFAW within VEC should be used.
Industrial/Economic Zone – Women hard hit by relocation	Vocational training introduced by a) age and b) level of education	Under the PPP ADB Project, the future Social Action Plan should include such a component depending on the Final PPP project selected.
Replacement Housing can be substandard vis-à-vis original housing	VWU preferred fair compensation.	Provincial rates of compensation.
PPP and community participation	Under ADB's Ministry of Construction Project VWU was given a small component to promote community development and HIV awareness.	Under the PPP future project the Model Build Transfer Contract and Operate and Manage Contract should have a small component devoted to community awareness especially about land acquisition issues.
Maintenance	Women should be encouraged	Women should be included in

Issue	VWU Approach	VEC Potential Approach
	to participate in expressway maintenance	maintenance activities under the Operate and Manage Contract.
Safety	Listen to women's concerns.	During the required ADB Social Survey, the gender analysis of the final PPP / ADB project will include a Gender Action Plan that VEC will need to follow.

Source: Consultants

There is a well-known tradition of gender equity in Viet Nam. High literacy rates combined with high economic productivity ensure a prominent position for women in society. In the area of infrastructure development women are often underemployed vis-à-vis men and future Expressway projects could target a slight increase in female employment including toll stations.

3. Land Acquisition

The Appendix provides an updated table of land costs, number of people affected and lost agricultural land. It has been extremely difficult to obtain these data as some has come from pre-feasibility and feasibility studies and consultations with PMUs. In some cases land prices are over 30% of the total project and it remains a significant cost.

Conclusions are as follows:

- Land prices are rising and some Expressway Projects have costs of over 25%;
- Pre-feasibility and feasibility studies appear to concentrate on lost land (urban and rural) with 15 projects/26 projects having land to be acquired while the number of people affected had information from only three (3) of the 26 projects;
- Number of people affected by infrastructure and future alignments is not adequately addressed in the studies reviewed thus far and estimated families are probably much lower than what VEC will find in later years;
- Urban resettlement involves a greater number of households and is more problematic for any executing agency and often means delays for construction;
- Sound laws and practices are in place for road and expressway acquisition;
- Agricultural land is easier to acquire than household/residences;
- Best way to fast-track and speed up land compensation in provinces is through recruiting specialized resettlement talent and expertise; and

- Monitoring of payment of compensation is very important for success of communities buying into the programme.

3.1 Land Acquisition in Other Countries

The pace and speed of land acquisition is not known to be any faster in neighboring countries. The process is often plagued with delays in acquiring urban housing. Some novel approaches and best practices have been developed and these issues are cited in the next table.

Table 5 Country Comparison and Land Acquisition

Country	Land Issue	Comment or Issue Regarding Land Acquisition
China	Rural reform and compensation levels	Vice Minister of National Development Du Ying suggested that farmers have the right to know, supervise and make decisions. He stated in March 2006 that land acquisition must be reformed. The basic guideline is to distinguish between land requisition and acquisition. If the land is taken for public purposes, the compensation levels must be raised; if it is for commercial development, "market mechanisms" must come into play.
Thailand	Land sharing in Urban Areas	Unique approach to resolution of slum eviction conflicts in Bangkok. Slum dwellers faced with eviction have organized and bargained successfully for a share of the land, through long negotiations. The five basic requirements of land sharing are: community organization; land sharing agreement; densification; reconstruction and capital investment.
Japan, South Korea, some cities in Canada and Australia	Land Pooling	Land pooling is an urban technique (very relevant for VEC projects) that carrying out unified servicing and subdivision of separate holdings for planned urban development. Pooling can also be used for low income housing. This is slightly different than land banking.
Malaysia	North South Highway/Land Banking Model	Over 800 kilometres from the Thai to Singapore border as the first <i>CONCESSIONED</i> road in Malaysia has led to nine (9) projects to date and 14 more under construction. Profits from the existing road went to develop new sections and light rail in Kuala Lumpur.
Korea and Philippines and many South Asian Countries	Green Belt	Land is acquired such as Korea's 5,400 square kilometers was designated as Green Belt around Seoul, Pusan and other cities to reduce urban sprawl.
Best practices in over 25 developing countries	PPP and Land Acquisition	<ol style="list-style-type: none"> 1. Analyze resettlement conditions at the earliest phases of the project 2. Close collaboration needed between the operator and public authorities 3. Populations need to be consulted directly or through NGOs or representatives 4. Best resettlement involves cash and re-housing displaced person 5. Commercial occupants should be given special attention 6. In poor districts financial compensation is very the best solution for housing expropriation as beneficiaries often use the funds for other purchases.

Sources: Consultants and World Bank Tool Kit on Highways.

3.2 Land Acquisition and Social Impact Measures

Table Six provides an outline of social impact measures that may arise for each Expressway Project under the Masterplan. Special attention has been paid to the PPP Sections of the three nominated Expressways in the preparation of this table.

Table 6 Land Acquisition Measures and Recommendations

Areas Affected	Social Impact	Mitigation Measure	Recommendations Actions for VEC to Consider
PPP Section of Proposed Expressway (ADB funded Project)	Resettlement Action Plan required as per ADB guidelines	Resettlement Action Plan	<p>Advance procurement by ADB for international and national consultants would shorten resettlement time. Need to update feasibility data on number of households affected by alignment as soon as possible as can reduce PPP delays.</p> <p>Recruit international specialist to train at least 10 resettlement specialists for the PPP / ADB project. Ensure resettlement survey is done with the same standard and using ADB APTRACK for the PPP project in all of the provinces under the ADB funded project..</p>
Compensation for Project Affected Persons (PAPs)	As per ADB guidelines and Viet Nam laws to ensure compensation is processed and paid to those entitled.	Compensation payments processed and paid.	<p>Investor allocates funding in contract and paid in timely manner.</p> <p>VEC should hire independent monitor to ensure that 20% of the households affected for each expressway receive a) correct amount and b) amount within reasonable time frame.</p>
Differences in Compensation	Within a province, between a district and urban area and between provinces	Pay rates as set down by provinces.	VEC to maintain a database of land acquisition rates for each province where an Expressway is located.
Ethnic Minorities	Depends on any donor involvement eg. ADB or WB	Prepare Ethnic Minority Development Plan if a donor is one of the investors	For expressway projects that have donor funding VEC should have a roster of sociologists who can complete a Summary Ethnic Minority Development Plan.
Stakeholders	Stakeholder Analysis required for ADB PPP Project	Consultations to be done under Social and Resettlement Survey	Summary stakeholder analysis included in Social Survey and findings entered into VEC's APTRACK database.
Investor	Economic Development	Land Acquisition Plan	Fair compensation paid on time and monitored mid way through construction.
Gender	Gender Action	Special Measures to	For ADB PPP Project special

Areas Affected	Social Impact	Mitigation Measure	Recommendations Actions for VEC to Consider
	Plan	be identified.	measures may target female farmers displaced from acquired agriculture land.
APTRACK Training	VEC Staff Training Plan	Software training twice a year for five staff	ADB Resettlement software APTRACK introduced to VEC with training provided and funded by ADB.
Poverty and Training	Increased income	Special measures	Vocational training if poor households are identified as hard hit by land acquisition and small fund in Investors contract.
Community Development	Prior to Expressway Project	Community meetings over land acquisition plans	VEC should maintain a roster of community development and sociologists to call on for expressway work
Land Acquisition Staff Profile	Human Resources	Develop talent within VEC	VEC needs to develop skills both within the corporation and a database of social development specialists in land and community development.
Security	Prevent vandalism	Hire local community members	Investors should secure their construction premises.

Source: Consultants



Honda Factory along proposed Highway expansion to Expressway without any negative impacts

Future expressway traffic that is common along the existing narrow alignment.



BOT Housing for workers. Workers under ADB PPP Project will receive HIV/AIDS Awareness material.

Example of a bypass which avoided the main town of Vinh Yen. This is excellent resettlement planning.



Near Phuc Yen Town. Completed section of the Expressway that avoided moving tombs.



VEC Officer receives ADB APTRACK Training from Social/Resettlement Specialist.