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INTRODUCTION

The Asian Development Bank (ADB) implemented in 2001 a regional technical assistance project for capacity building for indigenous peoples/ethnic minorities and poverty reduction in four Asian countries, Cambodia, Indonesia, Philippines, and Viet Nam. This was the first capacity building initiative undertaken by ADB at the regional level since it adopted its Policy on Indigenous Peoples in 1998. Under this policy, ADB has pledged to work with borrowing member countries to support and assist the development of capacities for addressing indigenous peoples' matters. The policy focuses on the participation of indigenous peoples and ethnic minorities in development and on the mitigation of any undesired effects of development.

The specific objectives of the project are threefold:

- to conduct a poverty assessment of indigenous peoples/ethnic minorities and examine in each of the participating countries the relevant national policies and legislation, programs, projects, and initiatives pertaining to indigenous peoples as these address the multifaceted dimensions of poverty;
- to evaluate and assess the impact of ADB interventions that address the vulnerability and poverty of indigenous peoples and ethnic minorities in the countries concerned; and
- to provide capacity building for governments, nongovernment organizations (NGOs), and indigenous and ethnic minority groups so that they can participate actively in the formulation of action plans and ADB-sponsored programs and projects.

The Government of Viet Nam agreed to participate in the study and named the Committee on Ethnic Minorities and Mountainous Areas (CEMMA) as the official implementing agency. Three Vietnamese

consultants carried out the project activities. The methodology was similar to that adopted in the other participating countries.

First, a review was made of pertinent legislation, statistical data, and other available information on the poverty trends and situation of ethnic minorities. Attention was given to the methods used for the classification of ethnic minority groups in Viet Nam and to the possible need to revise these methods in order to have a fully comprehensive picture of the different ethnic minority groups. A review was also made of official programs that seek the economic and social upliftment of ethnic minorities.

Second, participatory poverty assessments were conducted in different parts of Viet Nam. The main emphasis was on the province of Kon Tum in the Central Highlands. Two researchers visited 10 villages in 6 communes of 4 districts. Consultations were carried out with government officials at provincial, district, and commune levels. The perceptions of these officials on the poverty situation of ethnic minorities were carefully documented and analyzed. Next, meetings were conducted with ethnic minority representatives—of different age, gender, and economic status—at the village level in order to gain a better understanding of their socioeconomic situation and their involvement in existing projects in the area. Additional fieldwork was also carried out in Gia Lai Province in the Central Highlands, and Lao Cai in the Northern Highlands. Case studies from these regions were used to support the analysis.

Third, a review was made of programs and projects implemented on behalf of ethnic minorities at the provincial level in Kon Tum. Meetings were held with officials from different provincial departments, including the Department of Ethnic Minorities and Religion; the Department of Planning and Investment; the Department of Agriculture and Rural Development; the Department of Education and Training; the

Department of Health; and the Office of Fixed Settlement, Fixed Cultivation, and New Economic Zones. Documents on programs and projects implemented in areas where ethnic minorities live were collected.

Fourth, a review was made of some projects implemented by international organizations, with particular reference to ADB. Relevant documents were collected to examine the strengths and constraints of the projects, as well as the involvement of local ethnic minorities. Emphasis was given to the Central Region Livelihood Improvement Project of ADB, at an advanced stage of preparation at the time of this study. Meetings were held with consultants from international agencies and with provincial officials where these projects were being implemented. Attention was given to the way in which ethnic minority concerns were being addressed in ADB's overall country strategy for Viet Nam, and in the preparation of an overall poverty partnership agreement.

Fifth, a provincial workshop was conducted in Kon Tum Province on 31 May–1 June 2001, which focused on the poverty situation (especially for ethnic minority communities in the province); programs/policies with special focus on ethnic minorities; needs and aspirations of local ethnic minority communities; and suggestions for a national workshop and a country action plan. Twenty-two provincial and district officials participated in the workshop, as well as 12 representatives from ethnic minority communities, members of the project steering committee, and the consultants.

Sixth, a 2-day national workshop was held in Hanoi, on 17–18 September 2001. It aimed at building awareness of ethnic minority and poverty issues among stakeholders, developing an action plan, and making preliminary guidelines on estimating the impact of ADB's interventions on ethnic minorities.

A Vietnamese delegation headed by the Vice-Chairman of CEMMA also participated in the Regional Workshop on Indigenous Peoples and Poverty Reduction at ADB in Manila on 25–26 October 2001.

For Viet Nam, this project has taken place at an important and opportune moment. In recent years, the Government has expressed a strong commitment to poverty reduction and has a particularly good record in the Asian context for reducing overall poverty

levels. While poverty levels for ethnic minorities have also been reduced, concerns have been expressed that the rate of poverty reduction has not been as fast as for majority ethnic groups, and also that there have been some significant differences between ethnic minority groups in terms of the level of acculturation and integration within the market economy. Moreover, there are indications that ethnic minority groups in the Central Highlands (where there have been high levels of recent settler immigration from lowland regions) have benefited less than other ethnic groups from market-oriented reforms such as land privatization and the growth of commercial agriculture.

Some government policies that aim to achieve a faster rate of integration for “backward” groups, such as the “sedentarization” programs, have been subject to criticism in this context. There have been some calls for new approaches based on more detailed understanding of the cultural aspirations of the different ethnic minority groups, enabling them to retain aspects of their traditional livelihood while at the same time benefiting from economic modernization.

ADB has also had to grapple with these issues as it increases its loan portfolio in Viet Nam, with a strong emphasis on geographically targeted poverty reduction projects in such areas as the Central Highlands where there is a large concentration of ethnic minority peoples. As it pursues the goals of inclusive social development, ADB has indeed suggested in its new country strategy for Viet Nam that the Government should carefully review the impact of past policies and programs on the development of ethnic minorities and remote areas.

The present report, based on a few months work and some brief participatory poverty assessments, can only be a starting point in such debates. Issues and recommendations for a draft national action plan are put forward in the hope that they can provide some guidance for future initiatives by the Government of Viet Nam and ADB.

The report has seven chapters. Chapter 2 introduces the ethnic minorities and their distribution. It is followed by a chapter that summarizes the government's policies related to ethnic minorities and describes the major programs in their areas. Chapter 4 outlines the key issues that affect the lives and

environment of ethnic minorities, the major one being poverty, discussed in detail including case studies in the following chapter. Chapter 6 describes ADB's activities in areas of Viet Nam where ethnic minority groups are present, with particular reference to the Central Region Livelihood Improvement Project. The last chapter summarizes the main issues affecting

ethnic minorities, which cover a range of topics related to the government's policies on agricultural land, forests, and migration, and on official development programs and projects. Recommendations, including several addressed to ADB, are put forward, couched in terms of a proposed national action plan.