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ASIAN DEVELOPMENT BANK EXPERIENCE

This section reviews the manner in which ADB has addressed indigenous peoples/ethnic minorities¹² in its project and program interventions in Viet Nam. As will be seen, considerable attention has been given to ethnic minority concerns both in overall country program strategies and in the preparation of projects in the Central Highlands. ADB strategy and program interventions appear to recognize that these minority peoples are disproportionately poor and have special needs with regard to the development process.

The review is primarily concerned with the ADB country strategy and program for 2002–2004. Particular attention is given to the Central Region Livelihood Improvement Project, which was under preparation at the time of the study, and for which a significant number of activities are targeted specifically at indigenous peoples/ethnic minorities.

ADB resumed activities in Viet Nam in 1993. By the end of 2000 it had provided 32 loans, amounting to just over US\$2 billion, and 107 technical assistance grants. Under ADB's interim strategy for 1993–1995, the emphasis was on infrastructure rehabilitation in transport, water, and power, and also reform of agriculture policy. Later, ADB operations were extended to human resource development through health and education, rural development and microcredit, forestry, crop diversification, and financial sector development.

ADB COUNTRY STRATEGY AND PROGRAM, 2002–2004

The present ADB country strategy and program (CSP) for Viet Nam, as elsewhere, aims to make poverty reduction its overarching goal. Thus, the overall objective of the CSP is to help achieve poverty reduction

targets by combining employment-generating economic growth with interventions aimed at reducing social and regional imbalances. This has clear implications for ethnic minorities. First there is to be poverty targeting, identifying both the poorest geographical regions and the poorest sectors within these regions. Inevitably, this means in the Vietnamese context that ethnic minorities will be identified as among the principal target groups.

The CSP identifies a number of thematic, sectoral, and geographic priorities, to ensure that growth reaches the poor. These are, respectively, sustainable growth, inclusive social development, good governance, and a geographic focus on the central region.

As regards inclusive social development, ADB will “adopt an integrated, mainstreamed approach, building the poverty, gender, and ethnic dimensions into relevant areas of assistance, to increase inclusion of disadvantaged groups in the development process.” The CSP considers that issues of social inclusion are adequately addressed in the government's goals and strategies. Reference is made to the preliminary Viet Nam Development Targets,¹³ in particular the goal to eradicate poverty and preserve the culture and diversity of ethnic minorities. The three targets are (i) to preserve and develop literacy in the local language, (ii) to ensure that individual and collective land-use rights for all land-use types have been allocated to the majority of the ethnic mountainous people, and (iii) to increase the proportion of government personnel of ethnic origin such that it is closer to the proportion that ethnic groups make in the national population.

While the Government “has recognized the need to preserve the culture and diversity of ethnic minorities,” the CSP considers that “the Government should carefully review the impact of past policies and programs for the development of ethnic minorities and remote areas. More generally, the Government needs to undertake a thorough and systematic ex-post evaluation of targeted programs to increase their efficiency and sustainable

impact.” In this respect the CSP refers to “limited evidence that disadvantaged ethnic minorities are benefiting from Government programs.”

Ethnic minorities are listed among the population groups that are particularly vulnerable to social and economic marginalization because they have limited access to assets and opportunities. Partly because of the remote regions they inhabit, ethnic minorities also tend to suffer greater exclusion from services and economic opportunities. Low-income ethnic minority women are seen as a particularly disadvantaged group. To increase inclusion of ethnic minorities, one approach in the context of promoting economic growth will be to ensure that ADB operations focus on promoting access of ethnic minorities to credit, extension services, and training. Another approach to benefit ethnic minorities in particular is the proposed geographic focus on the central region where more than a quarter of Viet Nam's ethnic minority populations live (see below).

The CSP points to the need for an appropriate level of data disaggregation by ethnicity as well as by gender, in order to pay special attention to how inclusion of ethnic minorities may be achieved, and also to establish benefit monitoring and evaluation systems.

A key element in the CSP strategy is its geographically targeted approach, focusing approximately one third of operations in the central region. Special emphasis within the central region is to be placed on the considerably poorer north central coast and south central coast areas, and on the Central Highlands. ADB will support interventions aimed at raising the incomes of the rural poor through livelihood improvements based on local resource endowments, combined with strengthening the regional physical and social infrastructure. Community-based livelihood projects are to address the causes of poverty at the micro level, addressing the links between natural resource depletion and poverty. Operations in the Central Highlands are to emphasize forestry and watershed management as tools for poverty reduction, also including agroforestry and the planting of fruit trees and fuel wood crops, and food and livelihood security for forest-dependent communities.

The situation of ethnic minorities in the Central Highlands is addressed under the heading *risks and safeguards*. Whereas nearly 2.3 million people from 30 ethnic groups live in the central region, the relatively small number of some of these groups and the diversity in their

sociocultural background make it difficult to devise common solutions to their particular development challenges. Given the high levels of unorganized immigration into the Central Highlands, exacerbating social and environmental pressures, the CSP observes that issues of sustainable immigration and of cultural sensitivity to ethnic populations will require special attention in the design of projects affecting the central region. ADB will engage in dialogue with NGOs and other development partners with experience in these areas, to verify project and program design and to minimize adverse impact.

CENTRAL REGION LIVELIHOOD IMPROVEMENT PROJECT

Of the various ADB interventions either under way or in preparation, and which have at least some impact on ethnic minorities, this project is the most useful to examine for the lessons that can be learned. The project has generated considerable information concerning ethnic minorities and their socioeconomic situation as a result of fieldwork during the preparatory phase. In accordance with ADB procedures, an indigenous peoples development plan was prepared, drawing on data collected during consultations with target communities. These included focus-group meetings and discussions with local officials in several communes. A socioeconomic survey was undertaken in four representative communes, covering 120 households and 638 individuals. Participatory rural and poverty appraisals were carried out in the same communes.

The overall objective of the project is to help the Government ensure that the poor in upland communes of four provinces (Kon Tum, Quang Binh, Quang Tri, and Thua Thien Hue) achieve sustainable livelihoods with an improving quality of life. Target beneficiaries are some 348,000 people living in 65,000 households in 139 communes, spread through 10 districts of the 4 provinces. Approximately 70% of the primary target beneficiaries will be indigenous peoples. Efforts will focus on improving farming systems and diversifying incomes to enable indigenous peoples to participate more fully in the market economy.

The objectives are to be achieved through (i) improving and sustaining household food security; (ii) generating household incomes through improved farm

productivity, infrastructure development, and off-farm income-generating opportunities; (iii) developing community capacity to utilize and manage scarce resources through an expanded social development plan; and (iv) strengthening the capacity of support services to respond to grassroots initiatives to ensure the delivery of improved services in upland communities. An important feature of the project is its focus on the development of innovative resource management strategies linked to social development objectives.

Underpinning the project has been its community development component, aiming to strengthen the technical and organizational capacity of rural upland communities to plan and manage their own development activities, and to assist target communities to form community organizations and strengthen the community planning process. Thus, the design of the project has taken into consideration the importance of confidence building among beneficiaries, particularly the indigenous populations and among them, especially women.

The extent of indigenous/ethnic minority poverty within the project area was identified in an initial social assessment. It was found that 87% of indigenous peoples' households were well below the overall poverty line. Moreover, indigenous peoples within the project area were facing an influx of better-educated and richer Kinh. The project area was selected on the basis of key poverty indicators including those monitored by both CEMMA and the Ministry of Labor, Invalids, and Social Affairs. Intended beneficiaries are predominantly subsistence and upland farming families, of which 60% are ethnic minorities. They were found to depend mainly on subsistence agriculture, partly relying also on shifting cultivation.

The indigenous peoples development plan document observes that the project provides a framework for the participation of all indigenous peoples' groups in the detailed planning and implementation of the project, and that the mechanisms for their participation have been developed through extensive consultations. There will be comprehensive consultations with the involved communities as a precursor to the formulation of socioeconomic development plans for each commune.

The indigenous peoples development plan itself comprises a set of achievements within the project framework for all indigenous groups. These achievements are represented by the following targets.

- The rehabilitation of the road and market network will improve travel and market conditions.
- Transportation costs will be reduced and this will lead to lowering the costs of consumer goods and farm and business inputs while at the same time raising the prices of farm produce and other outputs.
- Access to health and educational facilities will be substantially improved.
- The improved road and market network will improve the investment environment and through the project's microfinance component, target beneficiaries will be able to expand existing enterprises and undertake new ventures.
- The community development component will provide for a natural resource management plan and assist in land dispute resolution. In addition, all indigenous groups will be represented on the committees that select and manage the subprojects in the social development plan.
- The project's training program will train and then use local NGOs and other community groups to provide a beneficiary training program aimed at expanding income-generating opportunities.

At the same time, the development plan recognizes that these targets are also the subjects of specific concerns raised by various officials and NGOs, such as the possibility that improved roads will allow more immigrants and illegal loggers into the area, and that microfinance operations, being alien to local culture, could destabilize the traditional way of life. Thus, these and other concerns will be carefully monitored. The project has provisions for amending or adding to the various component targets and activities.

Monitoring will be primarily the responsibility of a project advisory office. Implementing agencies will have a monitoring and evaluation officer and will provide this office with details of indigenous group involvement and of any negative impact on them from the project. Progress will be measured from baseline indicators resulting from a benchmark socioeconomic survey prior to project start-up.

Monitoring and management committees will be formed to assist the communities to identify, implement, and manage small-scale infrastructure projects, with all local indigenous groups represented in their membership.

Local indigenous groups are to be given priority for job opportunities arising from road rehabilitation. Use is to be made of natural resource management plans and geographic information system maps of communes to resolve land disputes and to help indigenous groups gain recognition for traditional patterns of land use.

However, while commitment to community participation is expressed in the project document, it would appear that considerable groundwork is needed in order to render such participation truly effective. In Kon Tum, for example, the assessments carried out during the present study pointed to possible deficiencies in project preparation and also to considerable challenges in building up a real relationship of trust with the target communities.

First, although extensive fieldwork was carried out during the preparation phase and almost all officials in the surveyed areas were aware of the project's existence, consultations were apparently not held with indigenous communities in the proposed project sites. Unless consultations are held with villages at the local level, it is inevitably difficult to detect their real needs and aspirations.

Second, it is not fully clear how the training activities envisaged in the project will gain the full trust

and confidence of indigenous communities and give them a real sense of "ownership" of the project. Development work involving a high degree of responsibility has tended to be allocated to outsiders. Indigenous community members have been engaged only in the most basic or manual tasks, such as transporting rocks and other building materials to project sites. A symptom of the lack of confidence and trust is that indigenous communities have generally been reluctant to become deeply involved in infrastructure building projects. Indigenous peoples tend to perceive them as extraneous projects. They see their participation simply as one of providing manual labor to enable them to buy rice.

Government officials tend also to disparage indigenous peoples, seeing them as too "primitive" to grasp the technical dimensions of project activities, and also as too difficult to educate. This mentality can make it difficult to implement ADB's own philosophy, as set out in the project documents, of involving indigenous peoples in all aspects of projects and programs. Little attention is paid to the potentially positive contribution of indigenous knowledge systems, many of them built up over centuries of experience and adapted to difficult environments.

This livelihood project may be a test of Vietnamese capacity to implement bottom-up and participatory approaches to rural and community development. Lessons can be learned for other new and upcoming projects, for example, those related to education, rural credit, and forest management and livelihood.