PROJECT DATA SHEET

Project Data Sheets (PDS) contain summary information on the project or program: Because the PDS is a work in progress, some information may not be included in its initial version but will be added as it becomes available. Information about proposed projects is tentative and indicative.

PDS Creation Date	05 Dec 2006
PDS Updated as of	29 Oct 2008

Project Name	Rural Enterprise Finance Project
Country	Viet Nam
Project/Program Number	31361-013
Status	Closed
Geographical Location	nationwide (Viet Nam)

In preparing any country program or strategy, financing any project, or by making any designation of, or reference to, a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Sector and/or Subsector Classification	Finance / Microfinance
Thematic Classification	–
Gender Mainstreaming Categories	–

FINANCING

Type/Modality of Assistance	Approval Number	Source of Funding	Approved Amount (US$ thousand)
Loan	1802	Asian Development Fund	80,000
TOTAL			**US$ 80,000**

SAFEGUARD CATEGORIES

For more information about the safeguard categories, please see http://www.adb.org/site/safeguards/safeguard-categories

Environment	B

Involuntary Resettlement –

Indigenous Peoples –

SUMMARY OF ENVIRONMENTAL AND SOCIAL ISSUES

Environment: EAs ensure that the approach to sublending is environemntally sound and makes a contribution to environemntal protection. In lending process, EAs raise customers' awareness of environmental responsibilities.

Poverty: EAs address poverty issues by applying a group lending methodology where poor household, listed and certified by the commune people's committees according to poverty criteria published by the Government from time to time.

Environmental Aspects

–

Involuntary Resettlement

–

Indigenous Peoples

–

STAKEHOLDER COMMUNICATION, PARTICIPATION, AND CONSULTATION

During Project Design

–

During Project Implementation

–

DESCRIPTION

The objective of the Project is to support the Government's efforts to reduce poverty and promote private sector investments in rural and agro-based industries. The Project provides a credit line for financing microenterprises, which directly impacts the livelihoods of farm families, and for financing small rural agrobased enterprises, which accelerates economic growth and contributes to rural employment, productivity and prosperity. To ensure its effectiveness the Project supports strengthening of VBARD by financing construction of a training institute, development of IT systems, promoting policy reforms, establishing clear policies and guidelines on rural enterprise financing, establishing a credit guarantee fund, and setting up rural business association in selected districts.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

While there are several actions taken by the Government to improve the environment for growth of rural industries, the general lack of funds and medium- and long-term capital for rural enterprises are major constraints to their growth. High tax, crowding out by SOEs for scarce credit resources, weak legal framework for private corporations, the lack of information on markets and technology, and lack of collateral are also major issues, which constrain development of enterprises and are currently being addressed by the Government.

DEVELOPMENT IMPACT

–

PROJECT OUTCOME

Description of Outcome	Progress Towards Outcome
–	–

OUTPUTS AND IMPLEMENTATION PROGRESS

Description of Project Outputs	Status of Implementation Progress (Outputs, Activities, and Issues)
–	–

BUSINESS OPPORTUNITIES

Date of First Listing	05 Dec 2006
Consulting Services	Recruitment of consultants will be in accordance with the Bank's Guidelines on the Use of Consultants and other arrangements satisfactory to the Bank for engagement of domestic consultants.
Procurement	Procurement of goods and services will be in accordance with the Bank's Guidelines for Procurement.
Procurement and Consulting Notices	http://www.adb.org/projects/31361-013/business-opportunities

TIMETABLE

Concept Clearance	–
Fact-finding	15 May 2000 to 30 May 2000
Management Review Meeting	18 Jul 2000
Approval	12 Dec 2000
Last Review Mission	–

MILESTONES

Approval No.	Approval	Signing	Effectivity	Closing		
				Original	Revised	Actual
Loan 1802	12 Dec 2000	26 Apr 2001	09 Aug 2001	30 Nov 2006	30 Nov 2007	07 Oct 2008

STATUS OF COVENANTS

Covenants are categorized under the following categories—audited accounts, safeguards, social, sector, financial, economic, and others.

Covenant compliance is rated by category by applying the following criteria: (i) Satisfactory—all covenants in the category are being complied with, with a maximum of one exception allowed, (ii) Partly Satisfactory—a maximum of two covenants in the category are not being complied with, (iii) Unsatisfactory—three or more covenants in the category are not being complied with. As per the 2011 Public Communications Policy, covenant compliance ratings for Project Financial Statements apply only to projects whose invitation for negotiation falls after 2 April 2012.

Approval No.	Category						
	Sector	Social	Financial	Economic	Others	Safe	Project Financial Statements
Loan 1802	–	–	–	–	–	–	–

CONTACTS AND UPDATE DETAILS

Responsible ADB Officer	Chu Thi Hong Minh (minhch@adb.org)
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, SERD
Executing Agencies	Central People's Credit Fund Mr. Nguyen Duc Dung Viet Nam Bank for Agriculture and Rural Dev't. Mr. Nguyen The Binh

LINKS

Project Website	http://www.adb.org/projects/31361-013/main
List of Project Documents	http://www.adb.org/projects/31361-013/documents