



Project Data Sheet

Project 45198-004

Project Name Secondary Cities Development Project

Project Number 45198-004

Country / Economy Viet Nam

Project Status Closed

Project Type /
Modality of
Assistance Loan

Source of Funding /
Amount **Loan 3044-VIE: Secondary Cities Development Project**
Asian Development Fund US\$ 95.00 million

Strategic Agendas Environmentally sustainable growth
Inclusive economic growth

Drivers of Change Gender Equity and Mainstreaming
Governance and capacity development

Sector / Subsector **Transport** / Urban roads and traffic management
Water and other urban infrastructure and services / Urban flood
protection - Urban policy, institutional and capacity development - Urban
solid waste management

Gender Effective gender mainstreaming

Description The Secondar Cities Development Project in Ha Tiinh, Tam Ky and Buon Ma Thuot, focusses on flood risk reduction, urban environment improvement and provides project management and capacity building support. The sub-project selection criteria includes economic planning and development, social cohesion and equity, climate resilience, environmental sustainability and good governance. Land demand and design standards are accorded high priority. High consideration was provided to the protection of communities from floods and natural disaster risks, therefore completion of flood control and drainage works from the Central Regions Urban Environment Improvement Project (CRUEIP) where there were gaps in essential flood protection work in Ha Tinh and Tam Ky was given highest priority. The sub-projects include in : (i) Buon Ma Thuot - solid waste management and urban connectivity through upgrading of strategic roads; (ii) Ha Tinh - completion of drainage channels, regulating basins, lake improvement, and upgrading of access roads; (iii) Tam Ky - completion of flood dyke and strategic roads construction.

Project Rationale and Linkage to Country/Regional Strategy	<p>Developing the secondary cities of Viet Nam is vital to addressing spatial and economic disparities which can constrain the country's sustained economic growth. The selected Project cities of Tam Ky (Quang Nam Province in the South Central Coast region), Ha Tinh (Ha Tinh Province in the North Central Coast region), and Buon Ma Thuot (Dak Lak Province in the Central Highlands region) are broadly typical of Viet Nam's secondary cities. They have a population of from 90,000 to 350,000 and are the principal urban centers in their respective provinces. They are recognized as fast urbanizing areas with high development potential which can be hampered by weak infrastructure and urban services. Tam Ky and Ha Tinh which are both coastal cities are particularly at risk from climate change and suffer from recurrent flooding. Improvement of basic urban infrastructure and climate change adaptation and strengthening local capacity for urban and environmental planning and management in these cities are essential steps to developing Tam Ky, Han Tinh, and Buon Ma Thuot as sustainable, livable and economically vibrant growth centers in their regions.</p>
Impact	<p>Improved urban environment and climate resilient infrastructure in Buon Ma Thuot in the central highland region and in the coastal cities of Ha Tinh and Tam Ky</p> <p>By 2021:</p> <p>Buon Ma Thuot: Cu Eabur site will meet at least national standards for key air quality parameter [air quality baselines for TSP (0.71 mg/m³), NOX (3.77 mg/m³), SO₂ (2.55 mg/m³), and H₂S (4.46 mg/m³) and national standards for TSP (0.30 mg/m³), NOX (0.20 mg/m³), SO₂ (0.35 mg/m³), and H₂S (0.042 mg/m³)]</p> <p>Ha Tinh: Storm water drainage standards set at 1:10 years storm event (baseline: 1 in 1 year for internal channels and 1 in 10 years for major channels in 2012)</p> <p>Tam Ky: Flood protection standard increased to 1:40 years storm event for dike and 1:25 years for road design (baseline: 1 in 5 years storm event in 2012)</p>

Project Outcome

Description of Outcome	Increased coverage of resilient urban infrastructure and climate change adaptation in the participating cities
Progress Toward Outcome	Loan review mission conducted on 26 April-4 May 2018. Civil works of all subprojects is on going except for closure of Cu Eabur landfill in Buon Ma Thuot (bidding scheduled in Q4 2018) and extended Dien Bien Phu road in Tam Ky (bidding underway, bids to open on 1 Oct 2018). Next loan review tentatively scheduled in November 2018.

Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> 1. New and improved urban infrastructure and climate change adaptation 2. Increased community awareness for sustainable environmental management through IEC 3. Improved competencies in integrated urban development, environmental planning, climate change adaptation, and project management
--------------------------------	--

Status of Implementation Progress (Outputs, Activities, and Issues)	<ol style="list-style-type: none"> 1. Construction is going on in all subprojects and achieves approx. 70% progress. 2. IEC programs on solid waste management, flood management, and road safety are being implemented. Vocational training and access to credit provided. 3. Knowledge and skill on integrated urban development, environment planning and climate change adaptation is being strengthened through training. M&E training has been carried out. Consultation meetings on green city action plan are being monitored.
Geographical Location	Buon Ma Thuot, Ha Tinh, Tam Ky

Safeguard Categories

Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	<p>The project is classified as category B for environment under ADB's Safeguard Policy Statement, 2009 (SPS). Initial environmental examinations (IEEs) pertaining to the subprojects were conducted for all the cities as part of feasibility studies in accordance with the ADB's SPS and the environment regulations of the government. The subprojects will improve environment quality in urban areas, not cause irreversible adverse environment impacts. Mitigation measures for identified impacts are included in the environment management plans (EMPs). Initial costs for developing and implementing the EMPs have been estimated and integrated in the project. EMPs will be updated and finalized at the detailed design stage. The final EMPs, cleared by ADB, will form part of the contract bidding documents to ensure the engagement of an environment-responsible contractor. Environmental considerations during design and allocation of sufficient budget for operation and maintenance will help mitigate potential adverse impacts during operation. Environmental monitoring at all stages of implementation will be ensured.</p>
Involuntary Resettlement	<p>The safeguard category for involuntary resettlement is A . Three resettlement plans have been prepared for the subprojects which will trigger land acquisition and resettlement (LAR) impacts one each for Tam Ky, Buon Ma Thuot, and Ha Tinh. A total area of 118 hectares will be acquired and 2,417 households (10,737 affected persons) will be affected by the three subprojects. There are 452 households (2,104 affected persons) who will have significant impacts with loss of more than 10% of their productive land and a total of 116 household (533 affected persons) requiring relocation. All other impacts are partial and temporary. The cost is estimated to be \$18.38 million, which includes base costs, allowances, and management fee. An additional cost of \$2.6 million includes contingencies and income restoration program. Project information has been disclosed to affected persons throughout the Project preparation and a Project information booklet was distributed in February 2013. It will be updated and distributed during detailed measurement survey (DMS). Implementation of the resettlement plans will be ensured by a designated social development officer in each PMU. The roles and responsibilities are detailed in the respective resettlement plans.</p>

Indigenous Peoples	<p>The safeguard category for indigenous peoples is C . No ethnic minority household is affected in Tam Ky and Ha Tinh subprojects. In Buon Ma Thuot, 16.4% of the population belongs to an ethnic minority group (mainly Ede) and 42 households (223 affected persons) of that group will be affected by loss of agriculture land (18 households affected by urban roads components and 24 households affected by the landfill site in rural area). It is an ancient community in that area for several generations. In the landfill site, Ede households is living in two separate hamlets. However, the surveys undertaken assessed that they are well integrated with the Kinh majority. All the 42 households are owner of their agriculture land or are considered as legalizable. The 42 Ede affected households have the same source and level of income as Kinh and do not require any relocation. The mitigation for land acquisition related impacts for 42 affected households is included in the Buon Ma Thuot resettlement plan including income restoration. Hence there was no requirement for preparation of a separate indigenous people's plan.</p>
--------------------	--

Stakeholder Communication, Participation, and Consultation

During Project Design	<p>Stakeholder consultations with communities in close coordination with the PMUs have formed the premise of subproject selection and prioritization. The primary sub-project selection criteria includes economic planning and development, social cohesion and equity, climate resilience and adaptation, environmental sustainability and good governance. Based on this, high consideration was provided to the protection of communities from floods and natural disaster risks, therefore completion of flood control and drainage works from the CRUEIP where there were gaps in essential flood protection work in Ha Tinh and Tam Ky was given highest priority. These were underscored by stakeholder views and inputs obtained through extensive city level discussions with PMUs, EAs and community representatives including the Women's Unions. This included one day seminars in each of the three cities in which stakeholders expressed their views on sub-project selection. Technical options and associated costs for sub-project packages for each city were developed and discussed at various city level workshops and wrap meetings held with each city. Outcomes will be integrated in the Final report and summarized and integrated in the environment and social safeguard documents and stakeholder communication strategy</p>
During Project Implementation	<p>Stakeholder involvement will continue during project implementation as informed by the stakeholder communication strategy and the community participation plan which is under preparation. A grievance redress mechanism under preparation will also be institutionalized in the project implementation mechanism to be implemented by the PMUs.</p>
Responsible ADB Officer	Nguyen, Binh My
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Viet Nam Resident Mission

Executing Agencies

*Dak Lak Provincial People's Committee
UBND@DAKLAK.GOV.VN
09 Le Duan, Buon Ma Thuot City,
Dak Lak Province, Viet Nam
Provincial People's Committee of Ha Tinh Province
19 Nguyen Tat Thanh Street
Ha Tinh Town
Vietnam
Quang Nam Provincial People's Committee
62 Hung Vuong, Tan Thanh Ward
Tam Ky Town, QN
Viet Nam*

Timetable

Concept Clearance	06 May 2013
Fact Finding	06 May 2013 to 10 May 2013
MRM	26 Jun 2013
Approval	11 Oct 2013
Last Review Mission	-
Last PDS Update	20 Sep 2018

Loan 3044-VIE**Milestones**

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
11 Oct 2013	08 Nov 2013	28 Feb 2014	31 Jul 2019	31 Jan 2020	04 Jan 2021

Financing Plan**Loan Utilization**

Total (Amount in US\$ million)			Date	ADB	Others	Net Percentage
Project Cost	121.71	Cumulative Contract Awards				
ADB	95.00	17 Jun 2022	69.49	0.00		100%
Counterpart	26.71	Cumulative Disbursements				
Cofinancing	0.00	17 Jun 2022	69.49	0.00		100%

Status of Covenants

Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	Partly satisfactory	Partly satisfactory	-	Unsatisfactory