Viet Nam: Greater Mekong Subregion Corridor Towns Development Project

Project Name: Greater Mekong Subregion Corridor Towns Development Project

Project Number: 43319-043

Country: Viet Nam

Project Status: Active

Project Type / Modality of Assistance: Grant

Source of Funding / Amount:
- Grant 0329-VIE: Greater Mekong Subregion Corridor Towns Development Project
  - Urban Environmental Infrastructure Fund under the Urban Financing Partnership Facility
  - US$ 1.00 million
- Loan 2969-VIE: Greater Mekong Subregion Corridor Town Development Project
  - concessional ordinary capital resources lending / Asian Development Fund
  - US$ 130.00 million

Strategic Agendas:
- Environmentally sustainable growth
- Inclusive economic growth
- Regional integration

Drivers of Change:
- Governance and capacity development

Sector / Subsector:
- Transport - Urban roads and traffic management - Water transport (non-urban)
- Water and other urban infrastructure and services - Urban flood protection - Urban policy, institutional and capacity development - Urban sewerage - Urban solid waste management - Urban water supply

Gender Equity and Mainstreaming:
- Effective gender mainstreaming

Description:
The project will enhance the competitiveness of towns along the East West Economic Corridor (EWEC) and the Southern Economic Corridor (SEC) and support the development of the GMS transport corridors into vibrant economic corridors. The project will transform the corridor towns of Dong Ha, Lao Bao, and Moc Bai into economic hubs by improving urban environmental infrastructure and strengthening institutional capacities of provincial and local authorities. Increased climate resilience through flood control measures will significantly improve the productivity of economic enterprises in these towns. Clean wastewater, solid-waste disposal, and enhanced mobility on improved urban roads will improve the environment. The project will provide environmental infrastructure, of which wastewater treatment and solid-waste management specifically will help to reduce the carbon footprint of these towns, making them cleaner, greener, and more livable. The project finances 10 subprojects in the three towns.

Project Rationale and Linkage to Country/Regional Strategy:
Strategic economic development. Improved transport connectivity among GMS countries has intensified urban links and established a solid foundation for more efficient movement of people, goods, and services. It has led to significantly increased trade and commerce in border districts and corridor towns. The towns and cities along the SEC and EWEC, which link Viêt Nam with Cambodia and the Lao PDR, are well positioned to serve as dynamic centers of investment and economic growth. Given the tremendous economic opportunities, the corridor towns face the challenge of meeting the demands for urban infrastructure and essential support services which are a result of rapid urban population growth and urban expansion. With the proper enabling environment for strategic local economic development, provision of adequate infrastructure, and institutional capacity to manage future development, the corridor towns are expected to attract public sector investments in urban environment infrastructure and encourage private sector interest in urban economic infrastructure.

This project is phase 1 of a long-term engagement in GMS economic corridor towns, and is aligned with the strategic framework of the GMS Economic Cooperation Program, 2012-2022, approved by the Fourth GMS Summit on 19-20 December 2011. It is also in line with the Asian Development Bank (ADB) country partnership strategy, 2012-2015 for Viet Nam, and supports ADB’s urban operational plan, 2012-2020 and water operational plan, 2011-2020.

Impact:
Dong Ha City, Lao Bao, and Moc Bai become dynamic economic growth centers in EWEC and SEC

Geographical Location:
Dong Ha, Lao Bao, Moc Bai

Safeguard Categories
**Summary of Environmental and Social Aspects**

**Environmental Aspects**
The environment category for the project is B, as the proposed subprojects are not expected to have irreversible adverse environmental impacts; any impacts are easily mitigated. Initial environmental examinations (IEEs) conducted for all the project cities identified potential impacts and mitigation measures to be implemented through environmental management plans (EMPs). The IEEs also included inputs from public consultations. The IEEs are in accordance with the ADB Safeguard Policy Statement (2009) and the applicable environmental regulations of the Government of Viet Nam. At the detailed design stage, when the EMPs are finalized and updated, the final receiving environments for the wastewater treatment plants and landfill will be reviewed to ensure that local groundwater and human uses of the areas are not adversely affected. The final EMP, cleared by ADB, will form part of the contract bidding documents. Environmental considerations during design and allocation of sufficient budget for operation and maintenance (OG&M) will help mitigate potential adverse impacts during operation. Effective environmental monitoring at all stages of subproject implementation will be ensured. In compliance with ADB’s information disclosure and consultation requirements, the safeguard documents will be posted on ADB’s website.

**Involuntary Resettlement**
The safeguard category for involuntary resettlement is A. Three resettlement plans have been prepared for the subprojects which will have land acquisition and resettlement impacts. Project information has been disclosed to affected people throughout project preparation and a project information booklet will be updated and distributed during detailed measurement survey. Resettlement and environment documents have been prepared in consultation with local communities, agreeing with ADB’s Safeguard Policy Statement and Government Decree No. 69, 2009 which govern resettlement and compensation.

**Indigenous Peoples**
There are no indigenous peoples living near or close to the subproject sites in the three participating corridor towns. The small number of indigenous peoples in any of the subproject locations who are residing in remote villages will not be affected by the implementation of the subprojects. The project is assigned category C; therefore, there is no need to prepare an indigenous peoples plan.

**Stakeholder Communication, Participation, and Consultation**

**Business Opportunities**

**Consulting Services**
The Project will provide management support and assistance to the EAs in Quang Tri Province and in Tay Ninh Province through the respective Project Management Units (PMUs). This is intended to ensure that project implementation will fully comply with the national government regulations and with ADB’s policies and operational requirements. Terms of financial management, fund disbursement, procurement procedures, social and environment safeguards, and operation and maintenance (OG&M), will be clear in the contract. A team of international and national consultants have been engaged by the EA to provide management support and capacity development during project implementation. Recruitment of other consulting services currently ongoing.

**Procurement**
The laws to be followed for national competitive bidding are set forth in (i) the Law on Procurement No. 61/2005/QH11 of 29 November 2005, (ii) the Construction Law No. 16/2003/QH11 of 26 November 2003, (iii) the Amendment Law No. 38/2009/QH12 of 19 June 2009 amending and supplementing key articles of the above-mentioned two laws, and (iv) the processes described in Decree No. 85/2009/ND-CP of 15 October 2009 on Guiding Implementation of Procurement Law and Selection of Construction Contractors under the Construction Law. Whenever any procedure in the national procurement laws is inconsistent with the ADB Procurement Guidelines (April 2010, and as amended from time to time), the ADB Guidelines shall prevail.

**Responsible ADB Officer**
Nguyen, Binh My

**Responsible ADB Department**
Southeast Asia Department

**Responsible ADB Division**
Viet Nam Resident Mission

**Executing Agencies**
- Provincial People's Committee of Quang Tri Province
  45 Hung Vuong, Dong Ha Town, Quang Tri
- Provincial People's Committee of Tay Ninh Province
  Cach Mang Thang 8 St., Ward No. 2, Tay Ninh Town, Tay Ninh

**Timetable**

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**Grant 0329-VIE**

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Loan 2969-VIE

Milestones

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Financing Plan

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Project Page

https://www.adb.org/projects/43319-043/main

Request for Information

http://www.adb.org/forms/request-information-form?subject=43319-043

Date Generated

05 October 2020

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