Viet Nam: Basic Infrastructure for Inclusive Growth in the Northeastern Provinces Sector Project

Project Name: Basic Infrastructure for Inclusive Growth in the Northeastern Provinces Sector Project
Project Number: 49026-002
Country: Viet Nam
Project Status: Active
Project Type / Modality of Assistance: Loan
Source of Funding / Amount: Loan 3633-VIE: Basic Infrastructure for Inclusive Growth in the Northeastern Provinces Sector Project
concessional ordinary capital resources lending / Asian Development Fund
US$ 150.00 million

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

Drivers of Change:
- Governance and capacity development
- Knowledge solutions
- Partnerships
- Private sector development

Sector / Subsector:
- Agriculture, natural resources and rural development
  - Agricultural production
  - Rural market infrastructure
  - Rural water supply services
- Transport
  - Road transport (non-urban)

Gender Equity and Mainstreaming: Effective gender mainstreaming

Description:
The proposed project will:
(i) rehabilitate and upgrade about 265 kilometers of roads in the four northeastern provinces (NEPs);
(ii) install 10 rural domestic water supply (RDWS) schemes;
(iii) provide infrastructure support for agricultural and rural value chains (ARVC) in Lang Son; and
(iv) strengthen provincial infrastructure asset management.

Project Rationale and Linkage to Country/Regional Strategy:
- The economic potential of the four northeastern provinces is not yet realized
- The project will help unlock the binding constraints through the development of basic infrastructure across key sectors in accordance with the Overall Development Plan of Mountainous Northeastern Provinces 2015.
- The project is aligned with important government policies and strategies
- The project supports the three pillars of ADB's Viet Nam country partnership strategy, 2016-2020
- Value added by ADB assistance: The project is aligned with ADB's long-standing support to the GMS Strategic Framework 2012-2022, which prioritizes fostering regional and local economic development through multi-sector investments that require strong cross-sector linkages and integration, particularly with special economic zones and border areas

Impact:
Subregional competitiveness of the four northeastern provinces enhanced

Project Outcome Description of Outcome
Production, service delivery, and movement of goods and passengers sustainably increased

Progress Toward Outcome
Implementation Progress
Description of Project Outputs
Road network connectivity improved
Agriculture and rural value chain infrastructure in Lang Son province improved
Decentralized public asset management processes established

Status of Implementation Progress (Outputs, Activities, and Issues)
Geographical Location
Bac Kan, Cao Bang, Ha Giang, Lang Son

Safeguard Categories
Environment
Involuntary Resettlement
Indigenous Peoples

Summary of Environmental and Social Aspects
Environmental Aspects
PPCs and ADB have agreed upon an environmental assessment and review framework. The road works are limited to upgrades within the existing or newly established right-of-way and environmental impacts will be minor and temporary. They will not infringe on protected or environmentally sensitive areas and will require only simple mitigation measures such as proper management of construction camps or storage of building materials. Each initial environmental examination prepared for the nine representative subprojects includes an environmental management plan with appropriate mitigation measures and have been publicly disclosed.
Involuntary Resettlement

PPCs and ADB have agreed on a combined resettlement and ethnic minorities development framework. Resettlement and ethnic minority development plans were prepared for all representative subprojects. They are supported by public consultation and information disclosure, which will be continued during implementation. The only impacts will be minor land acquisition and compensation for roadside trees, crops, or small structures within the rights-of-way, for which compensation, allowances, operation and administration, surveys, monitoring, and reporting will be financed from government counterpart funds. The internal monitor will ensure that any impacts are evaluated properly and reported to ADB semiannually through the PPCs.

Indigenous Peoples

Impacts on indigenous peoples, referred to as ethnic minorities in Viet Nam, are overwhelmingly positive and will enhance economic and social improvement. The project will neither cause displacement from traditional or customary lands nor negatively impact the identity, culture, or customary livelihood systems. The resettlement and ethnic minorities development framework will ensure the inclusion of ethnic minorities within project benefits and provide the basis to prepare subproject resettlement and ethnic minority development plans with impact mitigation measures, capacity development, a grievance redress mechanism, and compliance with ADB information disclosure and consultation requirements.

Stakeholder Communication, Participation, and Consultation

During Project Design
- Business Opportunities
  - Consulting Services
    - Consultants being recruited for DED, construction supervision, audit, LIC, ARVC service provider
  - Procurement
    - There will be 25-30 civil works contracts to be procured under project using NCB method. Procurement expected to start from Q4 2018

During Project Implementation
- Responsible ADB Officer
  - khuc, huong thi lan
- Responsible ADB Department
  - Southeast Asia Department
- Responsible ADB Division
  - Viet Nam Resident Mission
- Executing Agencies
  - Provincial People’s Committee of Bac Kan Province
    - Group 1A, Phung Chi Kien Street, Bac Zan City
  - Provincial People’s Committee of Cao Bang Province
    - #11 Hoang Dinh Dien Rd, Hop Giang District, Cao Bang City
  - Provincial People’s Committee of Ha Giang Province
    - Ha Giang Province, Socialist Republic of Viet Nam
  - Provincial People’s Committee of Lang Son Province
    - 2 Hong Vuong Road Chi Lang Ward, Lang Son City
  - Viet Nam

Timetable

- Concept Clearance: 16 Sep 2015
- Fact Finding: 20 Feb 2017 to 09 Mar 2017
- MRM: 10 May 2017
- Approval: 15 Dec 2017
- Last Review Mission: -
- Last PDS Update: 08 Nov 2018

Loan 3633-VIE

Milestones

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<th>Closing Original</th>
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Financing Plan

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Project Page

https://www.adb.org/projects/49026-002/main

Request for Information

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05 June 2019

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