

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Viet Nam	Project Title:	Climate Resilient Inclusive Infrastructure for Ethnic Minorities Project I
Lending/Financing Modality:	Sector	Department/ Division:	Southeast Asia Department/ Environment, Natural Resources and Agriculture Division/ Viet Nam Resident Mission

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Poverty targeting: targeted intervention—geographic (TI-G)

A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy

The project is aligned with Viet Nam’s Socio-Economic Development Plan, 2016–2020 that (i) promotes economic restructuring coupled with reform of growth models, and increases economic efficiencies and competitiveness through restructuring of and improvement of farmers’ lives; and (ii) fosters breakthrough strategies on infrastructure construction by improving the quality of socioeconomic infrastructure master planning, especially for transport, electricity, water, irrigation, and environmental infrastructure networks, with priority given to transport networks in disadvantaged regions.^a It is consistent with the two pillars of ADB’s Viet Nam country partnership strategy, 2016–2020 on (i) enhanced and more inclusive infrastructure and service delivery; and (ii) improved environmental sustainability and climate change response.^b

B. Results from the Poverty and Social Analysis during PPTA or Due Diligence

1. Key poverty and social issues. In 2018, the multi-dimensional poverty rate was 5.5% in Binh Dinh Province and 10.3% in Quang Nam Province, compared to 6.8% nationally. In Binh Dinh Province, ethnic minorities make up 12% of the population, of which 87% are considered poor (77%) or near poor (10%). In Quang Nam Province, ethnic minorities make up 6% of the population, of which 49% are poor and 6% near poor. The culturally and politically dominant Kinh make up more than 90% of the population. The Hre, Xo Dang, Cotu, Raglay, Ede, Tay, Coho, and Mnoung ethnic minorities are concentrated in 12 of the two provinces’ 29 districts. While progress has been made in reducing poverty overall, the development gap between Kinh and other ethnicities continues to widen. This can be attributed to structural discrimination, geographical challenges and limited employment opportunities. Where development opportunities exist for ethnic minority communities—such as through plantation forestry, high-value crops, and tourism—the rural infrastructure on which they rely can be insufficient or relatively fragile, and without targeted intervention is expected to become more so with climate change. The project investments will help address inadequacies in the quantity and quality of infrastructure, targeting the poor and ethnic minority communities.

2. Beneficiaries. The project will benefit about 243,000 people (about 40% of whom will be women and girls) through improvements to access roads and water supply quality and quantity, including about 126,300 ethnic minority beneficiaries.

3. Impact channels. The project interventions include support for resilient roads, clean and reliable water supply systems, riverbank embankments to prevent soil erosion, protection of cultural tourism sites, and climate change risk management systems. Output 1 investments in roads will increase network efficiencies, leading to reduced costs for farming and product freight, thereby improving incomes for local residents, especially ethnic minorities. Improved road networks will also facilitate access to employment opportunities, especially for women looking to work in processing factories, and enhance access to public services such as health and education. Output 2 will support rural domestic water supplies, irrigation rehabilitation, flood protection, and cultural tourism visitor infrastructure in the ethnic minority areas. This investment will benefit ethnic minorities through reduced spending to purchase water or saved time spent in fetching safe water, increased income from tourism, and greater safety during flood season.

4. Other social and poverty issues. Targeted districts have a significant number of ethnic minority communities. Other social and poverty issues identified in the project areas include: lack of capital for production or indebtedness, limited job opportunities (especially during the dry season), lack of irrigation water during the dry season, lack of public drainage networks and solid waste management services, lack of hygiene and sanitation due to limited access to safe and reliable water, and malnourishment and skin diseases among children due to low-quality water supplies. Ethnic minorities can generally communicate in the Vietnamese language but face greater challenges than non-minorities in clearly expressing their ideas.

5. Design features. The project covers eight districts, including seven with a very high proportion of ethnic minorities (ethnic minorities account for 60% of the overall beneficiary population); the single exception is Hoai Nhon district, where 100% of the population is of Kinh ethnicity. In the Binh Dinh project area 88% of the poor and near poor are from ethnic minorities; the figure is 64% for the Quang Nam project area.

II. PARTICIPATION AND EMPOWERING THE POOR

1. Participatory approaches and project activities. Participation of the poor and vulnerable will be fostered during detailed design and implementation through (i) consultations with beneficiaries during detailed engineering design of roads, water supplies and river embankment infrastructure; (ii) establishment and strengthening of community supervision committees to convey views from ethnic minorities and the poor during implementation regarding rural infrastructure that will be handed over to local communities; (iii) requirements that contractors give equal opportunity to women and vulnerable people to obtain paid unskilled employment during construction; and (iv) implementation of a grievance redress mechanism to ensure that potentially

affected persons can express grievances and seek redress on a fair and transparent basis. These measures are described in the safeguard documents.

2. Civil society organizations. Organizations linked to the commune people's committees (e.g., women's unions, farmers' unions, and water supply customers) will be involved in the detailed design and implementation of safeguards, and of road safety, water and sanitation awareness campaigns. Involvement by affected groups and stakeholder representatives in project implementation is specified in the social safeguard and gender consultants' terms of reference and project administration manual (PAM).

3. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):

M Information gathering and sharing M Consultation M Collaboration N/A Partnership

4. Participation plan.

No. Participation will be elicited through implementation of the gender action plan and the resettlement and ethnic minority development plan.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: effective gender mainstreaming

A. Key issues. Women have fewer opportunities than men to participate in public meetings and decision making, and less access to information and training. Poor road network conditions in the project area disadvantage women in accessing (i) farm sites, and in marketing farm produce; (ii) employment opportunities in processing factories; and (iii) health and education services during flood season. Women will be significant beneficiaries of the rural domestic water supplies, which will result in improved health and reduced time burdens, given their traditional role as family caregivers. Women and girls are also disproportionately at risk from human trafficking, transmission of HIV/AIDs, road hazards, and water-borne diseases linked to unsafe and untreated water and have a greater burden of care for ill family members.

B. Key actions.

Gender action plan Other actions or measures No action or measure

The gender action plan (GAP) promotes equal participation in and benefits for women and men from project implementation, including by: (i) enhancing women's voice and empowerment during detailed design consultations regarding roads, water supplies, and other rural infrastructure, including safety design features for users; and promoting women's leadership roles through their participation in the construction supervision committee and in facilitating information, education and communication dissemination among community facilitators; (ii) enabling women to improve their incomes through economic opportunities associated with improved access roads (including employment opportunities during and after construction, and reduced freight costs for farming products and inputs to and from farm areas); (iii) assisting women and girls to reduce time poverty and reduce health care burdens through improved water supply quality and quantity; (iv) minimizing social risk and enhancing impacts of infrastructure through awareness-raising programs that focus on health, safety, and sanitation practices; HIV/AIDs; prevention of human trafficking; and road safety; and (v) collecting and reporting sex-disaggregated data on beneficiaries.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement

Safeguard Category: A B C FI

1. Key impacts. Feasibility studies for two representative subprojects have confirmed that subproject activities will require minor land acquisition, because the proposed infrastructure rehabilitation and/or upgrading will be undertaken mainly within road rights-of-way and existing water supply networks. A combined resettlement and ethnic minority development plan (REMDP) was prepared for each representative subproject and will be prepared for all project subprojects. A safeguards classification of Category B is proposed for both involuntary resettlement and indigenous peoples, and any subproject and/or component classified as Category A for involuntary resettlement and/or indigenous peoples will not be eligible for ADB financing.

2. Strategy to address the impacts. A resettlement and ethnic minority development framework was prepared for each province to guide further REMDPs. Each REMDP provides for compensation for damage to or loss of assets, mitigation measures for involuntary resettlement impacts, a grievance redress mechanism, and compliance with ADB information disclosure and consultation requirements.

3. Plan or other Actions.

Resettlement plan Combined resettlement and indigenous peoples plan
 Resettlement framework Combined resettlement framework and indigenous peoples planning framework
 Environmental and social management system arrangement Social impact matrix
 No action

B. Indigenous Peoples

Safeguard Category: A B C FI

1. Key impacts. The target districts and subproject areas are populated by a significant number of ethnic minority communities. The proposed infrastructure improvement will be undertaken mainly within road rights-of-way and existing water supply networks and will require minor land acquisition from ethnic minorities. Impacts on ethnic minorities in the subproject areas are positive as the subprojects will be aimed at inclusive social, physical, and economic improvement. The subprojects do not affect identity, culture, and customary livelihoods systems of ethnic minorities. A classification of Category B is proposed for both involuntary resettlement and indigenous peoples; any subproject classified as Category A for involuntary resettlement and/or indigenous peoples will not be eligible for ADB financing.

Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No										
<p>2. Strategy to address the impacts. The project seeks to target districts with the highest proportions of ethnic minorities in order to address the underlying development constraints. The REMDPs will be used to ensure ethnic minorities are included and can participate in the project and its benefits. The REMDPs also include mitigation measures to address impacts on ethnic minorities, an institutional capacity development program, a grievance redress mechanism, and compliance with ADB information disclosure and consultation requirements. The community participation plan provides for direct involvement of ethnic minority communities in detailed subproject planning and monitoring.</p> <p>3. Plan or other actions.</p> <table> <tr> <td><input type="checkbox"/> Indigenous peoples plan</td> <td><input checked="" type="checkbox"/> Combined resettlement plan and indigenous peoples plan</td> </tr> <tr> <td><input type="checkbox"/> Indigenous peoples planning framework</td> <td><input checked="" type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework</td> </tr> <tr> <td><input type="checkbox"/> Environmental and social management system arrangement</td> <td><input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary</td> </tr> <tr> <td><input type="checkbox"/> Social impact matrix</td> <td></td> </tr> <tr> <td><input type="checkbox"/> No action</td> <td></td> </tr> </table>	<input type="checkbox"/> Indigenous peoples plan	<input checked="" type="checkbox"/> Combined resettlement plan and indigenous peoples plan	<input type="checkbox"/> Indigenous peoples planning framework	<input checked="" type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework	<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary	<input type="checkbox"/> Social impact matrix		<input type="checkbox"/> No action	
<input type="checkbox"/> Indigenous peoples plan	<input checked="" type="checkbox"/> Combined resettlement plan and indigenous peoples plan									
<input type="checkbox"/> Indigenous peoples planning framework	<input checked="" type="checkbox"/> Combined resettlement framework and indigenous peoples planning framework									
<input type="checkbox"/> Environmental and social management system arrangement	<input type="checkbox"/> Indigenous peoples plan elements integrated in project with a summary									
<input type="checkbox"/> Social impact matrix										
<input type="checkbox"/> No action										
V. ADDRESSING OTHER SOCIAL RISKS										
<p>A. Risks in the Labor Market</p> <p>1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L). L<input checked="" type="checkbox"/> unemployment L<input checked="" type="checkbox"/> underemployment L<input checked="" type="checkbox"/> retrenchment M<input checked="" type="checkbox"/> core labor standards</p> <p>2. Labor market impact. The project will address underemployment by creating opportunities for unskilled labor during infrastructure construction, and indirectly in the long term through improved infrastructure for business development and increased economic activity, which will attract investment and trade. During construction, contractors are expected to adhere to core labor standards as indicated in their contracts.</p>										
<p>B. Affordability</p> <p>The affordability of rural domestic water supply services has been tested based on the required increase in tariffs. The social assessment and financial modelling indicate that the poorest households will be required to pay less than 3% of their monthly household incomes, which is well within international benchmarks. Beneficiaries were consulted regarding their willingness to pay the revised tariff and the proposed tariff was perceived as affordable, provided reliable and potable water was accessible. To assist in ensuring accessibility, connections will be financed by the project.</p>										
<p>C. Communicable Diseases and Other Social Risks</p> <p>1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): M<input checked="" type="checkbox"/> Communicable diseases M<input checked="" type="checkbox"/> Human trafficking <input checked="" type="checkbox"/> M Others: Road Safety</p> <p>2. Risks to people in project area. Contractors may source outside labor, exposing local people, particularly ethnic minorities and women, to risk of infection from HIV/AIDS and sexually transmitted diseases, and human trafficking. In some subprojects, road dangers will increase due to greater traffic volumes and travel speeds. Road safety design features are required in the detailed engineering design. Awareness raising regarding road safety issues, HIV/AIDS, and human trafficking risks will be provided to local communities as part of the GAP.</p>										
VI. MONITORING AND EVALUATION										
<p>1. Targets and indicators. The design and monitoring framework and GAP indicators related to social and poverty dimensions include: (i) number of local unskilled workers (data disaggregated by sex) being hired in project civil works; (ii) female membership in community supervision committees; (iii) number of participants (disaggregated by sex) in public and consumers awareness sessions; and (iv) infrastructure safety design features.</p> <p>2. Required human resources. Each professional project management unit will appoint a safeguards and gender focal point responsible for GAP and REMDP implementation. In addition, each provincial loan implementation consultant includes 9 months of inputs by a social and gender specialist to support GAP implementation.</p> <p>3. Information in the project administration manual. Arrangements for GAP and REMDP implementation and for relevant project design features are provided in the PAM.</p> <p>4. Monitoring tools. Quarterly progress reports, including GAP implementation reports and REMDP monitoring reports, will be submitted to ADB to assess compliance with the REMDP, GAP, and loan and grant agreement covenants. Regular ADB review missions will assess project implementation progress.</p>										

^a Socialist Republic of Vietnam. 2016. *The Five-Year Socio-Economic Development Plan 2016-2020*. Hanoi.

^b ADB. 2019. *Country Partnership Strategy: Viet Nam, 2016–2020—Fostering More Inclusive and Environmentally Sustainable Growth*. Manila.

Source: Asian Development Bank.