

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Viet Nam	Project Title:	Binh Duong Water Treatment Expansion Project
Lending/Financing Modality:	Corporate Finance	Department / Division:	Private Sector Operations Department/ Infrastructure Finance Division 2 Southeast Asia Department/ Urban Development and Water Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY	
Poverty targeting: General intervention	
A. Links to the National Poverty Reduction and Inclusive Growth Strategy and Country Partnership Strategy	
<p>The Asian Development Bank (ADB) will provide financing to the Binh Duong Water Environment Joint Stock Company (BIWASE) for expansion of the Tan Hiep Water Treatment Plant (WTP). The project will support the ongoing construction to increase the capacity of the Tan Hiep WTP from 120,000 cubic meters (m³) per day to 220,000 m³/day. Increasing the service capacity of the Tan Hiep WTP is integral to meeting the socioeconomic development of Binh Duong province by ensuring continuous supply of clean water in the growing industrial and urban residential centers.^a It will also contribute to the aim of the Government of Viet Nam to achieve 95% of the urban population and 90% of the rural population having access to clean and sanitary water by 2020.^b The project is well-aligned with ADB's country partnership strategy for Viet Nam in promoting more inclusive and environmentally sustainable economic growth by (i) promoting job creation and competitiveness, (ii) increasing the inclusiveness of infrastructure and service delivery, and (iii) improving environmental sustainability and climate change response.^c</p>	
B. Results from the Poverty and Social Analysis during PPTA or Due Diligence	
<p>1. Key poverty and social issues. The project will respond to the increasing demand for clean water supply in urban areas of Binh Duong province. The 2019 Population and Housing Census reported that the province has a total population of 2.4 million, of which 80% live in urban areas. The province's urban centers have an annual average growth rate of 14.75% against 4.93% for the whole province during 2009–2019. The rapid growth in urban areas' population and robust economic activities on the back of continued industrialization will increase demand for clean water. The provision of reliable water supply infrastructure will keep and attract businesses and industrial activities in Binh Duong province, which will ensure continuous employment opportunities for the 79.7% of the population who are wage earners and help address the incidence of unemployment in the province, which was 2.16% in 2019.^d</p> <p>2. Beneficiaries. BIWASE and the Tan Hiep WTP will primarily benefit from the project. The project will help sustain and enhance the existing operations of BIWASE and will provide secure employment to its workforce and business opportunities for its contractors. The construction works for the expansion of the Tan Hiep WTP provided jobs to at least 80 workers. Increasing the production capacity of the Tan Hiep WTP will require BIWASE to hire an additional 24 employees. Above all, the residents and business and industrial communities will benefit from the continuous supply of clean water. The current operations of the Tan Hiep WTP cater to the needs of residential areas and industrial parks within the Complex of Industry, Services and Urban Area of Binh Duong.</p> <p>3. Impact channels. Enhancement in water supply services in the area is expected to provide socioeconomic benefits and contribute to the improvement of the living conditions of the population, especially the poor and vulnerable, specifically in the three urban areas of Tan Uyen, Ben Cat, and Thu Dau Mot city.</p> <p>4. Other social and poverty issues. None</p> <p>5. Design features. The expansion of the WTP required the construction of an additional water treatment facility, raw water intake station, and 9-kilometer raw water transmission pipeline to increase the production of clean water to 32.85 million m³ per year. The increase in production capacity will provide adequate supply of potable water to an additional 72,000 households within the service area of BIWASE by 2023.</p>	
II. PARTICIPATION AND EMPOWERING THE POOR	
<p>1. Participatory approaches and project activities. The planning process for the expansion of the Tan Hiep WTP involved the residents and representatives from the people's committees of Tan Hiep ward, Uyen Hung ward, and Tan Uyen district through consultations conducted as part of the environmental and social impact assessment (ESIA). The consultations provided the opportunity for stakeholders to express their perceptions and recommended actions to ensure mitigation of impacts and enhancement of community benefits from the construction activities and operations of the Tan Hiep WTP. CONFIDENTIAL INFORMATION DELETED.</p>	

<p>2. Civil society organizations. Community-based organizations such as the Fatherland Front Committee, Farmer's Association, and Veteran's Association of the Tan Hiep and Tan Uyen wards participated during the ESIA consultation process. BIWASE informs the different people's committees and community-based organizations on the progress of the construction activities.</p> <p>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):</p> <p><input checked="" type="checkbox"/> (L) Information gathering and sharing <input checked="" type="checkbox"/> (L) Consultation <input type="checkbox"/> Collaboration <input type="checkbox"/> Partnership</p> <p>4. Participation plan. <input type="checkbox"/> Yes. <input checked="" type="checkbox"/> No. CONFIDENTIAL INFORMATION DELETED.</p>
<p align="center">III. GENDER AND DEVELOPMENT</p> <p>Gender mainstreaming category: Effective Gender Mainstreaming</p> <p>A. Key issues. While the labor force participation of Vietnamese women is one of the highest in Asia and the Pacific at 73% in 2019,^e women still have limited access to formal employment and men are nearly three times more likely to be managers than women.^f In addition, women are underrepresented in science and technology fields; e.g., only 31% of engineering graduates in Viet Nam are women.⁹ CONFIDENTIAL INFORMATION DELETED. While BIWASE currently has no policy focused on increasing its ability to hire, retain, and promote female staff, nor a policy on flexible work arrangements, it is committed to being an equal opportunity employer that provides equal pay and benefits to all employees. It abides by the provisions of Decree No. 85/2015/ND-CP, which details the labor code articles on policies for female employees. In addition, BIWASE provides additional entitlements specific to female employees, such as pregnant employees receiving an additional 1 month of paid leave before giving birth, and female employees who are assigned to waste treatment and wastewater treatment operations being entitled to biannual health check-ups.</p> <p>B. Key actions. Key features of the gender action plan include (i) develop and implement a gender policy that seeks to increase BIWASE's hiring, retention, and promotion of female staff; (ii) develop and implement a flexible work arrangement policy that is applicable after the coronavirus disease crisis; (iii) increase the number of women in management; (iv) ensure equal representation of women in finance trainings; and (v) ensure employment of women during construction. <input checked="" type="checkbox"/> Gender action plan <input type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p>
<p align="center">IV. ADDRESSING SOCIAL SAFEGUARD ISSUES</p> <p>A. Involuntary Resettlement Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. The project does not involve either land acquisition or involuntary restrictions on land use. The expansion of the WTP and water intake station is situated within the existing footprint of Tan Hiep facilities, which were acquired in 2007. CONFIDENTIAL INFORMATION DELETED. The 9-kilometer pipeline is being constructed within the existing right-of-way with approval from the Department of Transportation of Binh Duong province. CONFIDENTIAL INFORMATION DELETED.</p> <p>2. Strategy to address the impacts. While there is no outstanding land acquisition issue, BIWASE will ensure that future land acquisition activities for further expansion of the Tan Hiep WTP comply with the land resumption process and compensation procedures prescribed under national laws, which are generally aligned with the ADB SPS. CONFIDENTIAL INFORMATION DELETED.</p> <p>3. Plan or other actions. <input checked="" type="checkbox"/> Environmental and social management system arrangement</p>
<p>B. Indigenous Peoples Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI</p> <p>1. Key impacts. Although there is known presence of ethnic minority groups in Binh Duong province such as Khmer, Thai, and Hoa, the Tan Hiep WTP is situated within the urban service industry complex where there are no ethnic minority communities present in the surrounding areas. The audit confirmed that no ethnic minorities were known to have been affected by the current operations of the WTP or the ongoing construction of facilities to accommodate the increase in production capacity.</p> <p>Is broad community support triggered? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Strategy to address the impacts. BIWASE's environmental and social policies and procedures will ensure that the operation of the Tan Hiep WTP and future expansion projects will continue to avoid adverse impacts on ethnic minority groups or indigenous peoples.</p> <p>3. Plan or other actions. <input checked="" type="checkbox"/> Environmental and social management system arrangement</p>
<p align="center">V. ADDRESSING OTHER SOCIAL RISKS</p> <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). <input type="checkbox"/> unemployment <input type="checkbox"/> underemployment <input type="checkbox"/> retrenchment <input checked="" type="checkbox"/> (L) core labor standards</p> <p>2. Labor market impact. CONFIDENTIAL INFORMATION DELETED. Employees are organized into a union that has an ongoing collective labor agreement with BIWASE management. The union facilitates the collection of employee grievances and ensures resolutions. CONFIDENTIAL INFORMATION DELETED.</p> <p>B. Affordability</p>

The project will not result in any exclusion issues because of price mechanisms.
C. Communicable Diseases and Other Social Risks 1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA): <input type="checkbox"/> Communicable diseases (NA) <input type="checkbox"/> Human trafficking (NA) <input type="checkbox"/> Others (please specify) <u>NA</u> 2. Risks to people in project area. CONFIDENTIAL INFORMATION DELETED.
VI. MONITORING AND EVALUATION
1. Targets and indicators. BIWASE will report the completion of the construction of new additional facilities along with the number of jobs created and grievances received and resolved related to the construction activities. CONFIDENTIAL INFORMATION DELETED. Compliance with ADB's SPS and social protection requirements, as well as gender mainstreaming accomplishments, will also be reported. 2. Required human resources. BIWASE directly oversees the operations of the Tan Hiep WTP. A project management unit was established by BIWASE to oversee the legal and E&S aspects of the construction activities related to the expansion of the WTP. 3. Monitoring tools. BIWASE will submit an environmental and social monitoring report to ADB annually and a post-approval supervision mission will be conducted by ADB safeguards staff as required.

^a Government of Viet Nam. 2014. *Decision No. 893/QĐ-TTg: Approving the adjusted master plan on socio-economic development of Binh Duong province through 2020 and supplemented master plan through 2025*. Ha Noi.

^b Government of Viet Nam. 2016. *The Five-Year Socio-Economic Development Plan – 2016–2020*. Ha Noi.

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

^d Government of Viet Nam, Central Population and Housing Census Steering Committee. 2020. *Results: The Viet Nam Population and Housing Census of 00:00 Hours on 1 April 2019*. Ha Noi.

^e International Labour Organization. [ILOSTAT database](#). Data retrieved in September 2019.

^f World Economic Forum. 2018. [The Global Gender Gap Report 2018](#). Davos.

^g United Nations Educational, Scientific and Cultural Organization. 2015. *UNESCO Science Report: towards 2030*. Oxford.

Source: Asian Development Bank.