

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY: UPDATED

Country and Project Title: Viet Nam: Phuoc Hoa Water Resources Project (Supplementary)
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Lending/Financing
Modality:

Project

Department
/ Division:

Southeast Asia Department
Viet Nam Resident Mission

I. POVERTY ANALYSIS AND STRATEGY

A. Link to the National Poverty Reduction Strategy and Country Partnership Strategy. In its Socioeconomic Development Plan for 2006–2010, Viet Nam's strategy paper for reducing poverty, the country sets out its strategy for becoming industrialized by 2020, with poverty alleviation as an underlying condition. Important to Viet Nam's strategy is economic diversification, including reducing the percentage of people dependent on agriculture from 85% to 50% while increasing agricultural productivity. Strengthening water resources is key to the strategy of supporting an increasingly urbanized economy while ensuring the sustainable development of agriculture for economic growth, poverty reduction, and food security. Water management is central to reducing vulnerability to floods and droughts, which are obstacles to poverty reduction, according to the plan. In its country partnership strategy, the Asian Development Bank (ADB) commits to supporting the socioeconomic development plan with a particular focus on promoting pro-poor, business-led economic growth that is based on the sustainable use of the environment and promotes social inclusion and gender equality. Viet Nam's National Water Resources Strategy, 2006–2020 states that population and economic growth is straining water resources, that safe access to water for the poor is a central priority, and that this resource must be managed to contribute to pro-poor and sustainable socioeconomic development. It recognizes peoples' right to water to meet their livelihood needs and their obligation to be involved in its efficient management.

Project impact will be sustainable growth in rural, urban, and industrial areas of Ho Chi Minh City (HCMC) and surrounding provinces in accordance with the regional master plan, and reduced rural poverty through the provision of reliable irrigation. The outcome will be additional water supplies in the Saigon and Vam Co Dong river basins for irrigation; domestic, municipal, and industrial use; and salinity control, ensuring the efficient and sustainable management of water resources. It will reduce poverty and contribute to sustainable livelihoods for beneficiaries of the irrigation systems and enhanced agricultural productivity adjacent to this rapidly expanding metropolitan region.

Phase 1 of the project completed the Phuoc Hoa barrage, transfer canal, and Tan Bien main canal. Phase 2 will develop the Tan Bien irrigation system, with a benefit area of 6,725 hectares (ha), and the 17.68-kilometer Duc Hoa main canal linking into the Duc Hoa irrigation system, which will improve irrigation on 13,821 ha. An estimated 22,000 households with 85,000 people will benefit directly from improved irrigation and water supply. The project will also supply water for industrial areas, thereby contributing to economic growth across sectors.

B. Poverty Analysis

Targeting Classification: General intervention

1. Key issues. The project will directly improve the livelihoods of 22,000 farming households by introducing reliable irrigation and water supply, which will greatly improve agricultural productivity and increase on-farm and seasonal employment opportunities. It will make water available in several industrial parks, improve water supply in HCMC, and reduce salinity in the Saigon River. It will contribute greatly to increasing farm incomes by allowing increased cropping rates of up to three crops per year and the cultivation of high-value vegetables for the booming HCMC and peri-urban markets. Potential is extremely good for market gardens and cultivating dry season rice. Initial social analysis and preliminary engineering designs indicate that phase 2 is category A for involuntary resettlement, with considerable impacts. Each subproject is expected to significantly affect more than 200 people. Basic design shows 4,683 households with 21,537 people experiencing some resettlement: 1,151 households experiencing significant impact, 126 relocating houses and shops, and 1,073 losing more than 20% of their productive land.

2. Design features. The project will minimize resettlement and land acquisition by using participatory canal design and placement of such structures as bridges and crossings. The On-Farm and Social Development Program (OSDP) will facilitate improved agriculture and O&M of irrigation infrastructure by forming and training water users groups. The project uses participatory resettlement planning to ensure that poor and vulnerable households affected by the project improve their socioeconomic condition through relocation and income restoration programs. Affected households will be compensated at market or replacement cost and receive assistance and allowances provided under current government policy (decree 69/2009/QD-TTg), which is very advanced. In addition, the OSDP will ensure that the incomes of affected people are restored and their livelihoods developed.

II. SOCIAL ANALYSIS AND STRATEGY

A. Findings of Social Analysis

Direct beneficiaries are the 22,000 farm households in Tay Ninh and Long An provinces and HCMC. Additional beneficiaries are those who gain employment in the industrial parks that receive water through the project, as well as residents of HCMC who benefit from improved water supply for domestic, municipal, and industrial use.

Poverty in the project areas is not particularly high for Viet Nam, ranging in affected communes from 5% to 10% in the more remote communities. Fourteen households with 60 people affected by the Tan Bien irrigation system are minority ethnic Khmer. Almost all households have 1 ha, and many currently use water from dug or drilled wells for agriculture. The development of irrigation is welcomed, especially for allowing cropping outside of the wet season. Most households in the 22 affected communes, from 50% to 98%, derive their main income from agriculture.

B. Consultation and Participation

Community consultation has continued since the start of project design. The design team meets regularly with community groups to discuss canal design and the placement of structures. The district resettlement committees and OSDP have discussed at hamlet meetings the project's objectives, benefits, and impacts. Meetings with affected people at the household level and meetings held members of vulnerable groups have obtained feedback on resettlement preferences and other needs. During the preparation of resettlement plans, meetings have been convened with affected people to explain compensation, assistance, allowances, resettlement policy and entitlements, the implementation schedule, and the grievance procedure. Interviews with affected people have guided the formulation of the social development program.

What level of consultation and participation (C&P) is envisaged during the project implementation and monitoring?

☒ Information sharing ☒ Consultation ☒ Collaborative decision making ☒ Empowerment

Was a C&P plan prepared? Yes ☒ No

The resettlement plan outlines steps for the participation and consultation of affected people, including ongoing consultation with people affected by land acquisition to finalize the compensation plan and update the resettlement plan. Consultations continue with individuals on the relocation plan and income-restoration plan, and interviews and focus group discussions monitor affected people's views on the implementation of the plans.

C. Gender and Development

1. Key Issues

Women are equally engaged in agriculture in the project communes, if not slightly more so, as men in Long An communes closer to HCMC often engage in off-farm labor. Women are important contributors to family income. The socioeconomic survey shows that women's occupational profile is similar to that of men, with most working in agriculture, followed by operating a business. One notable difference is that women who head households are more likely than male heads of households to have a secondary occupation as hired labor. Women who head households are less likely to have completed lower or upper secondary school. The gender analysis shows that women and men share many farm tasks and off-farm work. However, women have much more responsibility for housework such as cooking and cleaning and are less likely than men to participate in community meetings. Several households headed by women will be affected by land acquisition, some severely. Given women's important role in agriculture, the inclusion of women as stakeholders for consultation and decision-making on resettlement, livelihood and social development, and the O&M of irrigation facilities is critical.

2. Key Actions

☒ Gender plan Other actions/measures No action/measure

Measures to promote gender equality and women's empowerment include promoting access to and the use of services, resources, assets, and opportunities, as well as participation in decision-making. Women have been present at meetings with project designers to discuss canal layout and the placement of bridges and crossings. The gender action plan calls for separate women's focal group meetings to discuss resettlement, assistance, compensation, and allowances to ensure that all women understand the process, their rights, and compensation policies. Women will be included in all visits to potential and developing resettlement sites. They will be consulted regarding their needs to reestablish livelihoods and incomes. All vulnerable households, including households headed by women, will be included in the social development component of the OSDP. They will receive agriculture and other skills training, as well as appropriate assistance and allowances. The monitoring and evaluation of the project and resettlement performance will employ women's focal groups.

III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS

Issue	Significant/Limited/ No Impact	Strategy to Address Issue	Plan or Other Measures Included in Design
Involuntary Resettlement	Significant	The resettlement framework has been updated to cover three subprojects. This has been translated and explained to affected people and uploaded on the ADB website. Three draft resettlement plans have been prepared for the Duc	Short Plan <input checked="" type="checkbox"/> Resettlement Framework <input checked="" type="checkbox"/> Full Resettlement Plan

		Hoa main canal, Tan Bien irrigation system, and Duc Hoa irrigation system.	No Action
Indigenous Peoples	Limited impact	The project area in the Tan Bien irrigation system includes 14 ethnic minority households with 60 people. They are fully assimilated into local communities, pursue the same livelihoods, and enjoy land rights. They are not among the poor or severely affected households. Indigenous peoples action has been built into the resettlement plan for Tan Bien. These minority households are classified as vulnerable so that they may participate in the social development component of the OSDP. They will receive additional training opportunities for income restoration and diversification.	Plan <input checked="" type="checkbox"/> Other Action (OSDP Program) Indigenous Peoples Framework No Action
Labor <input checked="" type="checkbox"/> Employment opportunities Labor retrenchment Core labor standards	Limited impact. There will be limited employment for local laborers during construction. Irrigated agriculture and diversification toward high-value vegetables will provide seasonal and regular employment for farm laborers, as well as opportunities for adding value by processing produce in local communities.	Impact on labor is minimal. During construction, the application of Viet Nam's labor laws, which are in line with international standards, will be mandatory for contracted companies. These laws prohibit child labor, discrimination, and compulsory labor and recognize the right to trade union membership.	Plan Other Action <input checked="" type="checkbox"/> No Action
Affordability	Slight impact	Following the formation of water users groups and the completion of the irrigation facilities, water users may have to pay a service fee. Consultations are being held with water users groups, irrigation management companies, the Ministry of Agriculture and Rural Development, and the provincial departments of agriculture and rural development to consider their respective O&M responsibilities.	<input checked="" type="checkbox"/> Action No Action
Other Risks and/or Vulnerabilities <input checked="" type="checkbox"/> HIV/AIDS <input checked="" type="checkbox"/> Human trafficking Others(conflict, political instability, etc)	Limited impact	Limited risks arise from the influx of migrants into project areas during construction and at times when seasonal farm labor is needed. Some subprojects will be implemented in border areas, where the risk of human trafficking exists but is considered minor.	Plan <input checked="" type="checkbox"/> Other Action – The OSDP will conduct a campaign to raise awareness among local people No Action
IV. MONITORING AND EVALUATION			
Are social indicators included in the design and monitoring framework to facilitate monitoring of social development activities and/or social impacts during project implementation? <input checked="" type="checkbox"/> Yes No			