

VIETNAM

Poverty and Social Effect Assessment

Climate Change and Green Growth Development Policy Financing (P171006)



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(Draft for consultation)¹

¹ This represents the due diligence by the World Bank task team on the poverty and social effects of this operation.

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Abbreviations and Acronyms

CPC	Commune People’s Committee
CC	Climate Change
CPEIR	Climate Public Expenditure and Investment Review
DARD	Department of Agriculture and Rural Development
DPF	Development Policy Financing
DPC	District People’s Committee
EU	European Union
FLA	Forest Land Allocation
GG	Green Growth
GHG	Greenhouse Gas
GIZ	Gesellschaft für Internationale Zusammenarbeit
NCCS	National Climate Change Strategy
NDC	Nationally Determined Contribution
M&E	Monitoring and Evaluation
MARD	Ministry of Agriculture and Rural Development
MPI	Ministry of Planning and Investment
OM	Operational Manual
PSIA	Poverty and Social Effect Analysis
PFES	Payment for Forest Environment Service
PPP	Public-Private Partnership
REDD	Reducing Emissions from Deforestation and Forest Degradation
SEDP	Socio-Economic Development Plan
SUF	Special-use Forest
UNDP	United Nations Development Program
WB	World Bank Group

Glossary

Poor household	Defined differently for households living in rural and those living in urban areas. In rural area, a household is classified as a “poor households” when their monthly income per capita is either equal to or less than 700,000 VND per month, or more than 700,000 VND to 1,000,000 VND and lower on ≥ 3 criteria on access to basic social services. In urban area, a household is classified as a “poor households” when their monthly income per capita is either equal to or less than 900,000 VND per month, or more than 900,000 VND to 1,300,000 VND and lower on ≥ 3 criteria on access to basic social services (as per Prime Minister’s Decision No. 59/2015/QĐ-TTg dated 19 November 2015)
Vulnerable households	Include ethnic minority households, woman headed household with dependents, households with social policy person, and households with people with disability

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This Poverty and Social Impact Analysis (PSIA) Report was prepared as an input for the Project Document for Vietnam - Climate Change and Green Growth Development Policy Financing (DPF) (P171006) that will be financed by the World Bank. The report analyses the key potential positive and adverse effects of the eight prior actions (policies) on the policies' target groups – with focus on poor peoples and vulnerable groups, including ethnic minority peoples. As for the potential adverse effects identified (*ex-ante*), mitigation measures are proposed to enable policy makers and governmental implementing agencies to avoid/mitigate such adverse effects. For potential positive effect, where relevant, recommendations are made to even enhance the intended positive effect of the policies.

Since most of the prior actions financed under this DPF are in early stage of implementation (just about one or two years into effectiveness), this analysis was conducted through a desk review of similar case studies and anecdotal evidence in an attempt to anticipate the potential effects, with a particular focus on the life of the PDF – from FY19 to FY21.

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Executive Summary

The Bank has prepared a Poverty and Social Impact Analysis (PSIA) to assess the distributional and social effects of the policies (to be financed under this DPF) on the well-being of different groups of the population, particularly on the poor and most vulnerable groups, including ethnic minority peoples. Since most of the prior actions are in early stage of implementation, this analysis was conducted through a desk review of case studies and anecdotal evidence in an attempt to anticipate the potential effects. The PSIA also attempted to look into the potential effects of the prior actions on the poor and vulnerable groups – from a gender perspective.

Overall, all the proposed eight prior actions under the DPF are anticipated to result in overall significant positive social effect, particularly on poverty reduction, livelihood development, and environmental protection. For instance, policies related to sustainable forest management, exhaust emissions standards, energy efficiency, would promote behavior changes among the target groups – through program/project activities that raise awareness, provide knowledge and access to additional income opportunities. These activities, to name a few, are expected to promote individual and collective actions toward the achievement of the sustainable development goals of these policies.

The analysis confirms that six of the eight policy actions supported under the DPF are not expected to cause any significant poverty or social effects, and two prior actions may potentially result in adverse effect for certain groups of people. For instance, under Prior action 1, establishment of special-use forests may result in potential adverse effect on people living in the core zone, including those living in the buffer zone. The adverse effect may include resettlement of people out of the strictly prohibited subzone and restriction of access to forest resources on the part of people who depend on forest resources as their means of livelihoods. Similarly, under Prior action 4, restriction of access to groundwater exploitation may affect businesses who exploit underground water, and possibly people who rely on the water provided by these businesses.

The table below summarizes the potential adverse effect of Prior action 1 and 4, and proposes mitigation measures. More details are in Annex 2 on potential positive and adverse effects of all eight prior actions).

Prior actions	Significant poverty, social or distributional effects positive or negative	Measures to mitigate adverse effects/ enhance positive effects
<p>Prior action #1 Government providing guidance on how forest is classified, managed, and used, including guidance on forest environmental services and investment policies for forest protection, development,</p>	<p><i>For Government Decree 156/2018/ND-CP</i> Overall positive effect is expected as Decree translates a number of articles from the Law on Forestry into practice, aiming at promoting better management, use and protection of forest while enabling forest users to earn forest based income. Potential adverse effect is anticipated for groups and individuals who live in forest and/or depend on forest resources as a mean of livelihoods.</p>	<p>Measures to avoid potential adverse effect and enhance potential positive effect:</p> <ul style="list-style-type: none"> • Conduct meaningful consultation with and participation of poor/EM peoples potentially affected during identification of core and buffer zones. Follow good practices such as: • Disclose project’s potential effect to affected peoples – during project preparation

<p>and sustainable forest management</p>	<p>Effect may include physical resettlement out of strictly protected subzone, and restricted access to use of forest resources. <u>For MARD Circular 28/2018</u> Overall positive effect is expected as Circular is applied to forest owners whose project activities are related to sustainable forest management. The Circular provides detailed technical and procedural requirements on how a sustainable forest plan is prepared. National and international laws and good practices are integrated into this Circular Potential adverse effect is anticipated for local people, especially poor and vulnerable groups, include ethnic minority peoples who may live in the forest/buffer zones.</p>	<ul style="list-style-type: none"> • Consult with poor/EM peoples in their own language • Provide compensation and support package to affected peoples • Grievance mechanism in place using traditional local system • Create various development activities that benefit affected poor/vulnerable (incl. EM peoples) • Engage independent monitoring consultant to monitor project activities • Consider alternative livelihoods options as a long-term solution that could be phased into annual support program.
<p>Prior action #4</p> <p>Government has adopted regulations on groundwater protection to prevent saline intrusion and land subsidence</p> <p>[Government Decree No. 167/2018/ND-CP dated December 26, 2018 regarding restriction of exploitation of groundwater]</p>	<p>Overall positive effect is expected, particularly on environment protection and human health as Decree requires restriction of groundwater use in certain (risky) underground areas to protect aquifer, geology, environment, and to prevent groundwater contamination.</p> <p>Potential adverse effect is anticipated for business affected by water access restriction (at varying degree) and for local people who are temporarily affected as they depend on the water services provided by the affected businesses.</p>	<p>Measure to avoid/minimize adverse effect: Ensure affected businesses and client of affected businesses are consulted appropriately. Mitigation measures based on consultation with affected business and households should be in place to avoid/ minimize potential adverse effect. A guidance note on consultation should be prepared to guide provinces to do consultation with potentially affected people. Consultation needs to assess following key aspects:</p> <ul style="list-style-type: none"> • Scope of potential effect on businesses and on the livelihood and income generation of water users, particularly poor and vulnerable households; • Identification of alternative water source that affected households may switch to in order to maintain their livelihood; • Concrete plan, including implementation process, for activities that result in water restriction, and mitigation plan to ensure the water use disruption is avoided/minimized, and compensation/ assistance provided to affected households;

Despite potential adverse effects under prior action 1 and 4, the mitigation measures are available – through meaningful consultation with potentially affected peoples and through provision of development supports that are based on the needs of affected peoples. Where adverse effect could not be avoided, affecting the livelihoods of local people, compensation and assistance will be provided, particularly to people who have to resettle. During policy implementation, local governments will follow the governmental regulations to avoid/ mitigate potential adverse effects, and to ensure the livelihoods of affected peoples are not worsened as a result of these prior actions. In addition to measures proposed to avoid/minimize potential adverse effect, where possible, recommendations for enhancing positive effect are proposed (such as for Prior action 1 and 5).

I. INTRODUCTION

1.1 PROJECT BACKGROUND

Vietnam's 2016-2020 Socio-Economic Development Plan (SEDP), adopted by the National Assembly on April 25, 2016, puts an unprecedented emphasis on climate resilience and promoting a low carbon and green growth development, demonstrating the Government of Vietnam's commitment to the National Climate Change Strategy (NCCS) and Vietnam Green Growth Strategy (VGGS) as well as for implementing the Paris Agreement. The SEDP objectives are elaborated in a series of related plans that were developed around the same time, including action plans under the NCCS and VGGS, Vietnam's Nationally Determined Contribution (NDC), and the Plan for Implementation of the Paris Agreement which provides a roadmap for delivery of the NDC. Commitments under the NDC include cutting GHG emissions by 8 percent below business as usual between 2020 and 2030, or up to 25 percent with additional development partner financing, and a variety of adaptation targets, such as integrating climate planning in 90% of SEDPs, reducing poverty, increasing forest coverage, and provision of water and health services.

A key element of the government's climate program is the recognition that mobilizing resources to address these demands will require a coherent strategy for improving the scale and effectiveness of financing. A 2016 climate public expenditure and investment review (CPEIR) led by the Ministry of Planning and Investment (MPI) with the support of the World Bank and UNDP, indicates continued government financial commitment to a firm climate change response, and provided a roadmap for actions that are essential for an effective delivery of Vietnam's climate change and green growth response, including the need for more informed budget allocations and investment programming. Leveraging existing development interventions in a range of climate-affected sectors is critical, as well as ensuring climate considerations are mainstreamed into technology and infrastructure decisions to avoid locking in carbon-intensive pathways. This is particularly true during a key development phase in which millions are projected to adopt urban lifestyles and achieve increases in income, leading to an increase in the number of power plants, expansion of industrial sites, modern modes of transport, and new commercial and residential buildings.

The operation builds on the good progress and achievements of the originally planned CC and GG DPF series and includes a cohesive set of five policy tracks and eight prior actions across the two pillars. The PDO is to promote (a) climate resilient management of landscapes; and (b) adoption of cleaner transport and energy systems. In doing so, the project will contribute to Vietnam's efforts to address key climate change adaptation and mitigation challenges, as well as contribute to a broader clean and resource-efficient growth goals articulated in Vietnam's Green Growth Strategy. The operation supports a selected set of key policy actions under the Government's SP-RCC program. Three of the policy tracks are under Pillar 1 "Climate resilient management of landscapes" while the other two are under Pillar 2 "Adoption of cleaner transport and energy systems". The selection of these pillars (and the policy tracks and prior actions) was based on their potential for transformational change through policy-level interventions, and opportunities for synergies between sectors and between climate change and green growth. The sectors, themes and respective prior actions selected (i) are aligned with priority action areas

under Vietnam’s climate change and green growth reform program (under the SP-RCC) and with the NDC (as well as the PIPA, NCCS, VGGs, and Prime Minister Resolution 120 on the Sustainable and Climate Resilient Development of the Mekong Delta); (ii) are areas where the Bank is currently engaged in a substantive policy and financing dialogue (providing complementarity between the DPF and coordinated sectoral engagement) and supported by strong analytical underpinning; and (iii) have potential to further deepen results from the preceding DPF series.

1.2 PURPOSE OF THE PSIA

The Bank’s operation policy for development policy lending² requires the assessment whether specific policies supported by the DPF are likely to have significant poverty and social consequences, especially on poor people and vulnerable groups. To assess the potential effect of the eight prior actions on the target groups of the policies, particularly the poor and vulnerable peoples, the Bank requires that such potential effect be assessed using a method, namely, Poverty and Social Effect Analysis (PSIA). PSIA is an approach to assess the distributional and social effects of policy reforms on the well-being of different groups of the population, particularly on the poor and most vulnerable. It aims to inform the design of policies and programs in four main ways:

1. Providing evidence on the poverty, social, and distributional effects of policies;
2. Proposing changes and course corrections to a policy or program, and identifying measures to mitigate any adverse effects;
3. Identifying alternative options to enhance poverty reduction and positive outcomes; and
4. Creating space for public dialogue around reforms through engaging stakeholders.

II. METHODS

2.1 OVERALL APPROACH

PSIA is a systematic analytic approach. Ideally, it starts with an *ex-ante* analysis of expected poverty and social effects of policy reforms to inform policy design. The PSIA will advocate monitoring of the results during policy implementation. Finally, where possible, assessment of policy effect would be conducted *ex-post* to understand the poverty and social effects of reforms.

For this DPF, most of the prior actions have already been in the early stage of effectiveness (less than one to two years). Thus, the purpose of this PSIA does not aim to inform the policy design, as mentioned above. Rather, it attempted to anticipate the potential poverty and social effect that these policies may have on the target groups, particular on the poor and vulnerable. Based

² OP8.60 to development policy lending

on the anticipated policy effect, relevant measures to avoid or minimize the predicted key effect are identified. In case where positive effect could be enhanced, suggestions are provided. Measures to address identified potential adverse effect could be exercised through the government's promulgation of legal instruments, such as decrees, circulars and decisions, to guide local implementation in a manner that avoid/minimize adverse effect. As a caveat, monitoring of these effects is recommended for the government.

The analysis was conducted through a desk review of case studies and anecdotal evidence in an attempt to anticipate the potential effects (See also method note at Annex 5). The analysis was also discussed with the government. This PSIA focuses on assessing the potential effect of the eight prior actions proposed under this PDF for a period from FY20 to FY21 (which is project life) with assumptions that there would be no major policy change that may alter significantly the course of the results chain, as anticipated in this report. In examining the potential policy effects, effort is made to review relevant policies that are on-going which aim to contribute also to expected outcome of the prior actions financed under this PDF. For example, in reviewing Decree No. 156 under prior action 1 (which is, inter alia, involves establishment of new forest protected area known as special-use forest), we also reviewed relevant policies such as policies (including their effect) related to forest land allocation, payment of forest environment service, which has been empirically proven to contribute to achievement of the objective of Decree No. 156 with regards to special-use forest.

2.2 LIMITATIONS OF METHODS

Since the nature of this PSIA is *ex-ante*, and is based on qualitative analysis, the findings could not be generalized to a wider population like its quantitative counterpart. However, for one case that is used in this report (Prior action 1, Decree No. 156, elaborated at Annex 3), the case studies used in the analysis is reasonably sufficient to allow for forecasting (estimation) of potential effect of this Decree on the livelihoods of forest dependent population, as well as the possibility of achieving the sustainable management objective of a special-use forest that will be established as per Decree No. 156.

It is recommended that the Government of Vietnam revisit the identified potential effects – as anticipated in this report, to ensure the identified adverse effect of the policies financed under this DPF on the poor/vulnerable population could be avoided, or minimized/mitigated, or compensated for if such effects adversely affect the livelihoods and/or income generation activities of the poor and vulnerable groups.

III. FINDINGS

3.1 POTENTIAL EFFECT OF THE POLICIES (PER PRIOR ACTION)

In the section below, the potential effects of the eight prior actions financed under this DPL 2 are reviewed (see List of eight prior actions in [Annex 1](#)). A table summarizing the potential positive

and adverse effect of eight prior actions is presented in the [Annex 2](#), alongside with measures to address potential adverse effect and enhance the positive effects of the intended outcome of the prior actions to be financed.

Prior action 1. Government adopted regulations providing guidance on how forest is classified, managed, and used, including guidance on forest environmental services and investment policies for forest protection, development, and sustainable forest management (Evidence: Government Decree 156/2018/ND-CP dated November 16, 2018, and MARD Circular 28/2018 dated Nov 16, 2018)

Decree 156/2018/ND-CP (dated November 16, 2018) providing details for some articles of Law on Forestry on classification of forests

Brief overview of the Decree.

This Decree provides details for some articles from the Law on Forestry (No. 16/2017/QH14, dated 15 November 2017, effective as of 1 January 2019). Specifically, the Decree specifies: 1) criteria for identification and classification of the types of forest, and regulations for forest management, including management of special-use forests (for development purpose, such as tourism, logging in special-use forest 2) allocation of forests, lease of production forests, recategorization of forests, conversion of forests into other purpose, and acquisition of forest land, 3) fire prevention and firefighting of forests, 4) payers, methods of payment, rates and adjustment, exemption from and reduced payment for forest environmental services; and management and use of collected money from forest environment services, 5) investment policies for protection and development of forest, and 6) tasks, organizational structure, and financial management and use mechanism for the Fund for forest protection and development.

Potential positive effect.

First of all, this Decree is a further step to translate into practice a number of articles from the (new) Law on Forestry (No. 16/2017/QH14), effective on January 1, 2019). The Decree aims for better management, use and protection of forest in Vietnam – in a manner that fosters sustainable use of the forest through enabling forest users to earn income that is forest based whereas protecting the forests. Of the six groups of information mentioned above, groups 2, 3, and 4 involves higher level of participation of forest users. In particular, group 2 specifies how types of forest is categorized, how these forests are established as special-use forest (“rừng đặc dụng” in Vietnamese), or “protected area” as a generic term. The establishment of a special-use forest, once effective, may affect people who have used the forest prior to the establishment of the special-use forest, at varying degree. However, this Decree emphasizes on one of its objectives which is the livelihoods and cultivation of people who live in the inner buffer zone of the special-use forest should be stable (Article 16). It suggested criteria/approach to assessment of a special-use forest before it is established. For instance, assessment of natural, socioeconomic conditions of local people should be conducted and local communities in the buffer zone should be supported in a manner that ensures agricultural production effectiveness and is culturally appropriate to local people. Consultation with local people and local authorities is required prior to proceeding the establishment of a special-use forest. Group 3 specifies how communities are

involved in prevention and fighting of forest fire. Group 4 aims to incentivize individuals and communities to sustainably manage and protect their forests by through payment for forest environmental services (PFES).

There is an overall positive social effect anticipated as a result of this Decree, given its purpose being conserving the nature while stabilizing the livelihoods of people who are forest dependent. This is in line with the development objective required by the Bank.

Potential adverse effect.

Part of this Decree (establishment of special-use forest), however, would potentially result in certain adverse effect on people who depend on forest as their means of livelihoods. Depending on the location, area, and how the core and buffer zones of a new special-use forest would be defined, the livelihoods of the poor/EM peoples, particularly those who live in the core and buffer zones of the special-use forest, could be affected – to various extent. It is anticipated those who live in the strictly protected subzone of the core zone of the special-use forest would be affected – as a result of physical relocation, plus restricted access to forest resources they rely on to earn their living. These peoples, and those living in subzones outside the strictly prohibited subzone (ecological restoration and administrative service subzones) and the zone outside core zone, referred to as “buffer zone” would be affected differently because of restricted access to forest resources as required by the new special-use forest. It is important, however, to note that the level of adverse effect of this Decree on the potentially affected groups mentioned above would depend on the level of enforcement that would be exercised by the forest management board (to be established for the special-use forest), intervention of the local authorities (e.g. rangers, governments), how the existing support policies are implemented concomitantly to minimize the adverse effect of the special-use forest establishment, and the introduction of possible new policy (during the period of 2019-2021) which this analysis covers.

As a summary, adverse effect as a result of special-use forest establishment under this Decree may include a) physical resettlement of people (out of the strictly protected subzone in the core zone), b) restriction of access to forest resources by local people who depend on forest resources prior to forest establishment. Access restriction would vary – from full restriction of forest exploitation in the strictly protected subzone, to partial restriction in the two subzones outside the strictly protected subzone (ecological restoration subzone and administrative service subzone).

It is noted that the effect of restriction of forest use on the livelihoods of local people would be moderated by the extent to which the enforcement of Decree is to be exercised by the special-use forest management board, local rangers and governments.

MARD Circular 28/2018/TT-BNNPTNT (dated Nov 16, 2018) providing regulation for sustainable forest management

Brief overview of the Circular.

The Circular has been effective since January 1, 2019 and is applied to forest owners whose activities are related to sustainable forest management. The Circular is organized in five chapters,

providing detailed technical and procedure requirements on how a sustainable forest plan is prepared. It focuses, in particular, on procedures related to preparation and approval of the plan. It also specifies criteria for sustainable forest management, and certificate for sustainable forest management. Appendix 1 of the Circular) provides the following seven principles:

- Principle 1: Forest owner is required to observe legal requirements and international conventions that Vietnam have observed.
- Principle 2: Forest owner respect the rights of the community and local peoples, including legal, religious, and customary land use rights, local traditions. They are responsible for resolving any conflicts related to land use rights and land use in accordance with the law, and create opportunities for local people to improve their livelihoods with priority given to local communities. Forestry activities to be done by Forest owner should not cause any adverse effect on land, forest, and lives of local people. Preventative measures need to be in place to avoid such adverse effect. Where avoidance is not possible, compensation should be made in accordance with the law. Records related to grievances and compensation should be kept for at least five years.
- Principle 3: Ensure right and working condition of labor, including equality assurance, rights and benefits of labor, appropriate working condition per law, respect the participation of labor confederation. A grievance mechanism should be in place for labor and compensate them in case of damage to health and assets of labor while working for the forest owner.
- Principle 4: Management, protection, development and sustainable use of the forest
- Principle 5: environmental management and protection
- Principle 6: maintenance, conservation, and enhancement of biodiversity.
- Principle 7: Forest use should be monitored and evaluated as per sustainable forest plan

Since a sustainable forest management involves both forest and people living in the forest, a sustainable forest management is required to include assessment of natural, socioeconomic conditions of the forest and people covered by the plan. This include investigation of forest ecosystem, biodiversity, historical cultural heritage and its landscape. Specifically, it requires assessment of current land use, geographical, topographical, hydrological, social and socioeconomic characteristics, including demographic information of the people living in the forest, such as labor force, income per capita.

Regarding fauna and flora, the Circular also requires assessment of the biodiversity, including animal that are rare, are in danger, forest landscape, including identification of degrading biodiversity that needs restoration and landscape that needs protection. Importantly, the Circular requires socioeconomic and environmental assessment covering the period during which project activities are under sustainable forest management (maximum 10 years). In particular, it requires the project to focus on creation of jobs, increasing income, and stabilize livelihoods of people who live in the buffer zone, including implementing activities related to awareness raising, forestry extensions that target local people with a view to sustainable forest management.

Forest owner³ is required to engage their own consultants to prepare the plan. During implementation of the plan, they are responsible for monitoring and evaluation of activities included in the sustainable forest management. They will report to provincial department of agriculture and rural development annually regarding the plan implementation results following a template (Appendix VII).

Potential positive effect. The circular is expected to create an overall positive social effect on the forest as well as on the people who live in the forest. Both national and international laws, conventions, and good practices on sustainable forest management are integrated into this Circular with detailed information, guiding principles and templates for assessment and reporting.

Potential adverse effect. No direct potential adverse effect is anticipated for the poor/vulnerable groups affected by this Circular.

See also measures and mechanism for enhancing the positive effect of this Circular under Prior action 1 in Section 3.2 (below).

Prior action 2. Government has adopted Decree No. 37/2019/ND-CP dated May 7, 2019 guiding the implementation of the Planning Law, and through its Prime Minister, issued Decision No. 1226/QD-TTg dated September 24, 2018 establishing the National Planning Council tasked with the responsibility of developing regional master plans for the Mekong Delta and other regions.

The Decree is applied to agencies, organization and individuals involving in preparation, appraisal, decision making and approval, disclosure, and assessment for implementation of master plans of national, regional, provincial levels and relevant agencies, organization and individuals.

As the Decree and the Law of Planning aim to support government's implementation in planning and implementation of the master plans at national, regional, provincial levels, an overall social positive effect is anticipated as a result of this Decree.

No potential adverse effect is envisaged for the target groups (those who are involved in preparation, appraisal, decision making and approval, disclosure, and assessment for implementation of master plans) as well as for the poor and vulnerable peoples.

³ Forest owner, as per the Law on Forestry (2017) is defined as organization, households, individual, community to whom the state allocate, lend forestland for the purpose of forest plantation, forest restoration, forest development...

Prior action 3. MPI has established a regulation on the identification, classification and reporting of its public climate change and green growth-related investment allocations (MPI Minister Decision 1085/QĐ-BKHĐT dated July 16, 2018 on identification, classification and reporting of its public climate change and green growth-related investment allocations)

Since the Decision aims to assist the classification of investment projects with a view to develop the national budget under the annual or five-year list of public investment projects, the decision is anticipated to bring about a positive effect – as per its purpose. No adverse effect is anticipated for the poor/vulnerable peoples. Thus, no mitigation measure is required.

Prior action 4. [Partially delivered] The Government adopts regulations on (1) management of sand mining and river works planning with main objective for protection of water sources, and (2) restriction of exploitation of groundwater (Government Decree (expected by mid-2019) regulating the protection of beds, banks, and alluvial grounds of rivers and Government Decree No. 167/2018/ND-CP dated December 26, 2018)

Government Decree regulating the protection of beds, banks, and alluvial grounds of rivers [not delivered]

Decree 167/2018/ND-CP dated December 26, 2018 regarding restriction of exploitation of groundwater

Brief overview of the Decree.

This Decree regulates the restriction of exploitation of groundwater in freshwater zones in Vietnam. It specifies principles that will be used for delineating area to be subject to restricted exploitation of groundwater. Principles are based on three aspects: a) restriction of groundwater exploitation should be appropriate to the scope and nature of the area, b) boundaries of restricted zones must be shown on the maps, c) strict compliance with specific delineation criteria for each restriction zone, and d) Information and data used for delimiting water use restriction zones must be sufficient, clear, accurate and reliable.

Scope of application. Organizations and/or individuals with operations related to groundwater that require governmental permit, including drilling, exploitation and use of groundwater – as specified at Item 1 and 2 of Article 52 of the Law on Water Resources.

Principles. The Decree also specifies principles to be used to ensure harmony with regards to legitimate rights and interests of concerned organizations and individuals. Compensation will be made for damages, and reimbursement of license fee will be made for cases where permits for exploitation and use of groundwater need to be withdrawn for the sake of national/public interests. The decree also specifies that in case the delineation is not in line with the requirements of this Decree, the delineation exercise needs to be suspended. In case of economic loss caused to legitimate parties, compensation will be paid to affected parties.

Forms of restrictions. Restriction of use of groundwater takes the forms of a) persons entitled, purpose of water use, b) restriction of water flow taken and time duration, c) restriction on the

number of works, depth, and aquifers – as detailed at item 5 of Article 52 of the Law of Water Resources (No. 17/2012/QH13, dated June 21, 2012). More importantly, the restriction of water use is required to be planned with concrete pathway as specified at Article 13 of this Decree except for emergency cases related to incidences and/or subsidence that require urgent treatment.

Scope of effect. Identification and delineation of areas for limited groundwater use only for the following areas that a) have a history of land slump, subsidence and terrain deformation, b) area with salinity boundary threshold and a Total Dissolved Solids (TDS) of 1,500 mg/l or more, c) area used as solid waste dumping sites in accordance with the law, and d) area where well is polluted that affect human health but water treatment solution is not yet available, d) areas with cemeteries or with high risk of water contamination as determined by centrally managed cities or provincial governments.

Disclosure of plan. When a plan for restriction of groundwater use is required, the final plan will be disclosed to governmental departments and relevant representatives of the general public, organizations, and individuals, who are using groundwater, for their feedback. Based on such feedback, provincial Department of Environment and Natural Resources will respond to parties' feedback and incorporate such feedback into final documents prior to submission to provincial government who will convene technical meetings with participation of water scientists and experts for appraisal of the plan. The final draft needs to be submitted to MONRE for review and comments prior to implementation.

Potential positive effect.

The ultimate purpose of this Decree is to enforce restriction of groundwater use in certain areas for the purpose of protection of the aquifers, geology, environment, and for prevention of overexploitation and pollution of the groundwater. This process takes time and will start with a survey based on which a map indicating areas subject to restriction is prepared to inform potentially affected parties. The restricted use of groundwater is good in many ways. It does not only allow exhausting aquifers to recover, prevent geological subsidence, but also reduce the risk of use of water that is extracted from a contaminated area to protect public health. Given this, there is a long-term overall positive effect on both environment and public health.

Potential adverse effect.

Effect on businesses. Depending on the location of the area to be restricted, businesses (organization and individuals) whose operations are related to water drilling, exploitation and use, may be affected, to various degrees – from partial to full restriction of water extraction depending on survey results. To avoid such effect, the Decree requires that potential effect on these businesses be studied and such effect be disclosed to potentially affected businesses for their feedback before the water use restriction plan is submitted to provincial DONRE and MONRE for review/comments prior to provincial government's approval.

Businesses who are directly affected will be compensated for their economic loss – depending on the nature and level of effect on their current business operations.

Effect on individual households (including the poor/vulnerable households). This Decree is not applied to individual households who exploit water for domestic use and/or small business.

Therefore *individual households (including the poor/vulnerable households)* are not directly affected by this Decree.

However, there might be cases where restriction of water exploitation by the businesses have adverse effect on the income generation activities and livelihoods of local people, particularly cases where those who use water supplied by the businesses for their domestic or business use. Such potential adverse effect could be avoided/minimized if local people who use water from affected businesses are consulted well beforehand to find alternative measures. Feedback from affected households should be incorporated into the plan. Affected households should be provided with sufficient time to shift to alternative water sources to avoid/minimize the effect on their daily living activities or businesses (See proposed Measures and Mechanism for mitigating potential adverse effect on water users in Section 3.2, Prior action 4 (below).

Prior action 5. The Government has adopted policy for the development of more advanced and efficient irrigation systems (Government’s Decree 77/2018/NDCCP dated May 16, 2018, and Decree 96/2018/ND-CP dated June 30, 2018 providing guidelines for prices of irrigation products and services and financial support for use of public irrigation products and services

Decree 77/2018/NDCCP dated May 16, 2018 (Regulation on the support for development of small irrigation, on-farm irrigation, advanced and water-saving irrigation)

Brief overview of the Decree.

This Decree encourages organizations and individuals to take active roles in managing their own need for irrigation water by requesting government’s financial assistance to enable them to build small-scale⁴ reservoirs, improved irrigation and water saving systems⁵, installation of electric water pump, construction of sludge gates, and reinforcement of existing irrigation channels. The requested water scheme, however, should be in line with the construction master plan of the local commune.

Levels of financial support for the abovementioned works vary from region to region. For example, financial support for reinforcement of existing irrigation channels is at most 70% for all cases, except for hilly, mountainous, and central highland areas where financial support is up to maximum 90% of the total costs of the works being requested. Budget will be provided by central government through national program or mainstreamed to relevant projects/programs. Local budget should be an additional financing source. Disbursement is made at the rate of 50% of total budget for 60% of the completed work. The remainder will be paid when 100% of the work is completed.

To be considered for financing, requesters need to complete a form (attached as a template to the Decree) and submit to commune’s Peoples’ Committee for review and approval.

⁴ Small scale mean a service area of 20ha for any mountainous area, 50 hectare for hilly area (trung du), and 100 ha for general plateau, and 300ha for the Mekong delta region.

⁵ Improved water system and saving water system refer to drip or sprinkler, or underground irrigations.

Potential positive effect.

As the financial support is provided to farmers who take initiatives of building small-scale irrigation for their own agricultural production, this Decree is envisaged to create an overall positive social effect, particularly for those who can benefit from this financial assistance – to water scarcity.

Potential adverse effect.

No significant social adverse effect is anticipated as a result of this Decree, particularly on the poor /vulnerable households. However, it is anticipated that the poor /vulnerable households, including ethnic minority peoples, may experience difficulties in accessing this financial assistance and/or subsequently benefit from this service if concrete actions are not in place locally so that people in need know how to reach out for support and get necessary support in selecting water saving technologies that they may not be familiar with (see more on how the poor/vulnerable people could be included to benefit from this financial assistance in Prior action 5 in Section 3.2 (below).

Decree 96/2018/ND-CP dated June 30, 2018 providing guidelines for prices of irrigation products and services and financial support for use of public irrigation products and services**Brief overview of the Decree.**

The decree specifies how financial support is provided to people who use irrigation water for agricultural purpose, including people who make salt, grow vegetables, beans, rice, industrial crops, fruit trees, flowers, and medical herbs, and those who are involved in aquaculture, including poor households. Beneficiaries of this decree also include individuals and organizations who are involved in water draining tasks in both rural and urban area (except for inner urban area), flood and tidal control, prevention of saline intrusion and control.

Potential positive effect.

The decree is expected to provide an overall positive social effect.

Potential adverse effect.

No adverse effect is anticipated for the target groups, including the poor and vulnerable people

Prior action 6. Prime Minister has issued adopted emissions standards for in-use and used cars (Prime Minister Decision No. 16/2019/QD-TTg dated March 28, 2019 setting the road map updating and Prime Minister Decision 249/2005/QD-TTg on automobiles)

Prime Minister Decision No. 16/2019/QD-TTg dated March 28, 2019 specifying roadmap for application of exhaust emission standards for automobiles and imported used automobiles**Brief overview of the Decision.**

The Decree specifies steps towards application of exhaust emission standards for vehicles and imported used vehicles.

Potential positive effect.

Overall positive effect is anticipated as application of exhaust emission standards helps reduce the level of air pollution which has a positive effect on human health.

Potential adverse effect.

No adverse effect is anticipated for target groups, as well the poor and vulnerable peoples. (albeit automobiles not passing the exhaust emission test may cost owners extra money repairing/buying new car).

Prime Minister Decision No. 249/2005/QĐ-TTg dated October 10, 2005 specifying roadmap for application of exhaust emission standards for automobiles**Brief overview of the Decision.**

The Decision aims to control exhaust emission from automobiles to control air pollution so as to gradually improve the quality of the air in urban area and in implementation of the World Trade Organization (WTO) agreement on technical barriers to trade approved by the PM's Decision No. 444/2005/QĐ-TTg dated 26 May 2005.

Potential positive effect.

Overall positive effect is anticipated as application of exhaust emission standards help reduce the level of air pollution which in turn create a positive effect on human health.

Potential adverse effect.

No adverse effect is anticipated for the target groups (automobile users), as well the poor and vulnerable peoples.

Prior action 7. The Prime Minister has approved a National Energy Efficiency Program through 2030 (Prime Minister Decision 280/2019/QĐ-TTg dated March 13, 2019 on National Energy Efficiency Program)**Prime Minister Decision 280/2019/QĐ-TTg dated March 13, 2019 on National Energy Efficiency Program (VNEEP) for the period of 2019-2030****Brief overview.**

The purpose of this Decision is two-fold:

1. Mobilize all national and international resources to promote efficient use of energy. This is achieved through implementation of assignments and solutions of State management, including technical assistance, science and technology research and product development, market transition, human resource training and development, and also utilization of support from the international community in the area of economical and efficient use of energy;

2. Establish a practice of economical and effective use of energy, and reduce intensive use of energy economic sectors and industries with a view to promoting green growth and sustainable development.

Potential positive effect

An overall positive effect is anticipated as implementation of this Decision is rolled out.

Potential adverse effect

No adverse effect is anticipated.

Prior action 8. The Prime Minister is about to approve a mechanism to promote solar power development in Vietnam, including a plan to pilot an auction mechanism by 2020 (Evidence: Draft Decision on mechanism to encourage solar power development in Vietnam)

This draft Decision specifies mechanism for encouraging solar power development in Vietnam. It is applicable to any organizations and individuals who are involved in developing solar power projects in Vietnam and other related organizations and individuals. In particular, it highlights the relation between Vietnam Electricity Corporation (as buyer of solar power) and as sellers who are any organizations and individuals producing solar power using solar panels installed on their house roof or on civil works. The Decree also specifies responsibility of the seller and the buyer, including the buying prices and the business models that organizations and individual households can consider. This Decision is scheduled to be effective as of 1 July 2019.

Potential positive effect

As the Decree aims to encourage development of solar power in private section, it is anticipated the draft Decision will bring about an overall social positive – through generating electric energy (from a renewable source) that meet the increasing demand for electricity in Vietnam. It also helps increase the awareness of the general public and their support for solar power as an alternative source of energy. This could also encourage energy saving practice among individual as a result of increased awareness on energy shortage.

Potential adverse effect

No potential adverse effect is anticipated for the target groups, as well the poor and vulnerable peoples.

3.2 MEASURES AND MECHANISM FOR MITIGATING ADVERSE EFFECTS & ENHANCING POSITIVE EFFECTS IN THE POLICIES AND IN THE REGULATORY SYSTEMS

In the section below, **measures and mechanism** for mitigating adverse effects & enhancing positive effects in the policies and in the regulatory systems are presented. To make sense of measures and mechanism proposed, the potential effect of the prior actions to be financed under this DPF are reviewed in a broader context where it will be/ being implemented along with other existing policies, to deliver intended outcome of a set of relevant policies at regional/country

level. Depending on the nature of each prior action, the breadth and depth of review for its potential effect will vary.

Prior action 1. Government adopted regulations providing guidance on how forest is classified, managed, and used, including guidance on forest environmental services and investment policies for forest protection, development, and sustainable forest management (Evidence: Government Decree 156/2018/ND-CP dated November 16, 2018, and MARD Circular 28/2018 dated Nov 16, 2018)

Decree 156/2018/ND-CP (dated November 16, 2018) providing details for some articles of Law on Forestry on classification of forests

As summarized at Section 3.1 (Prior action 1), the potential adverse effect of Decree 156 when a new special-use forest is established may include physical resettlement of people out of the strictly protected subzone of the core area, restricted exploitation of forest products, ranging from full restriction in strictly protected subzone to partial restriction in two outer subzones. Also, depending on the level of enforcement in the core zone of the new special-use forest, forest based livelihoods of poor, EM peoples, will be affected differently.

In terms of mitigation measure, in case where resettlement takes place, compensation and assistance will be provided to affected households – as per the Land Law 2013. The forest management board will be in charge of preparing such resettlement and compensation plan in close coordination with local government. For people affected by forest use restriction, depending on the number of affected households, specific support will be coordinated by forest management board and local Peoples' Committee. The annually allocated fund for each affected village (40 million VND) could be used to support the affected households based on the consultation with affected households regarding their needs.

In addition, upon request of affected households, the forest management board will consider allocation of forestland to affected households so that they can do agriculture and/or agroforestry farming on the allocated land. Households who use allocated land may receive additional cash benefits – as payment of forest environmental services (PFES) if their allocated land happen to be area that are defined as beneficial to hydropower plants and/or ecotourism project.

MARD Circular No. 28/2018/TT-BNNPTNT (dated Nov 16, 2018) providing regulations on sustainable forest management

The circular is applicable to forest areas which are home to many ethnic minority (EM) peoples. The Circular covers well key technical guidance, including requirements for respecting EM peoples and providing development opportunities for them during project preparation and implementation – in a way that is culturally appropriate to them. It is expected that the circular causes no direct adverse effect on EM peoples.

To further enhance the positive effect of the project, it is important that meaningful consultation with, and participation of EM peoples throughout project life, be fostered. The following good practices are recommended for implementation by forest owners:

- Project's potential effect (both positive and adverse) should be disclosed to EM peoples – during project preparation, in a way that is fully understandable to EM peoples.
- Consultation with EM peoples should be in their own daily language, whenever possible.
- Grievance mechanism using traditional system in which EM peoples may prefer should be in place. Consultation with hamlet head (già làng), or others prestige local people, such as opinion leaders, should be made in addition to community consultation.
- Development activities that aims to benefit EM peoples should be built on their needs – through various consultations with them at different key project timelines during project cycle. Consultation with EM peoples should be culturally appropriate.
- EM peoples should be informed well in advance of the topics and timing of meeting.
- Capable, independent monitoring consultant should be engaged to monitor the project activities, particularly activities that potentially affected EM peoples (both positively and adversely).
- Findings from independent report should be incorporated into project implementation and shared in annual meeting with provincial DARD;

Prior action 2. Government has issued Decree 37/2019/NĐ-CP dated 7 May 2019 providing detailed regulations for implementation of the Law of Planning

As the Decree and the Law of Planning aim to support government's implementation in planning and implementation of the master plans at national, regional, provincial levels, an overall positive effect is anticipated for those who are involved in preparation, appraisal, decision making and approval, disclosure, and assessment for implementation of master plans.

No potential adverse effect is anticipated for the target groups of this Decree, as well the poor and vulnerable peoples. Therefore, no mitigation measures are required.

Prior action 3. MPI has established a regulation on the identification, classification and reporting of its public climate change and green growth-related investment allocations (MPI Minister Decision 1085/QĐ-BKHDT dated July 16, 2018 on identification, classification and reporting of its public climate change and green growth-related investment allocations

Since the Decision aims to assist the classification of investment projects with a view to develop the national budget under an annual or five -year list of public investment projects, the decision is anticipated to bring about positive effect – as per its purpose. No adverse effect is anticipated for target groups of the Decision, as well as the poor/vulnerable people. Therefore, no mitigation measures for adverse effect is required.

Prior action 4. **[Partially delivered]** The Government has adopted regulations on (1) management of sand mining and river works planning with main objective for protection of water sources, and (2) regarding restriction of exploitation of groundwater (Government Decree (expected by mid-2019) regulating the protection of beds, banks, and alluvial grounds of rivers and Government Decree No. 167/2018/ND-CP dated December 26, 2018)

Government Decree regulating the protection of beds, banks, and alluvial grounds of rivers [not delivered]

Decree 167/2018/ND-CP dated December 26, 2018 regarding restriction of exploitation of groundwater

Measures and mechanism for mitigating adverse effects & enhancing positive effects

The Decree requires agencies undertaking assessment to consult with affected businesses during the preparation of the restriction plan. However, the requirements for consulting those who are affected as a result of restricted or suspended water exploitation operations as the clients of the affected businesses is not explicitly required in this Decree, although the requirement for consultation with representatives from local people is mentioned. Since affected people (businesses' client) may include poor and vulnerable people whose livelihoods or income generation activities depend on the availability of water, the restriction of water exploitation on the part of the businesses may affect their livelihoods if they are not consulted by the agencies who undertake assessment to explore the magnitude of the potential effect on these water users' livelihoods.

As this decree is applicable throughout the country, to ensure water user (clients) are also consulted appropriately and measures are in place to avoid/minimize such potential adverse effect on local people, guidance note on consultation should be issued by MONRE to guide how consultation with affected water users should be conducted. Consultation should assess the following key aspects:

- Scope of socioeconomic effect of the restriction on the affected water users, and affected businesses.
- Potential effect (of water shortage) on the livelihood and income generation of the affected water users. Particular focus should be on poor and vulnerable households.
- Identification of alternative clean water source that affected households may switch to in order to maintain their livelihood and income generation activities.
- Concrete plan related to water restriction should be disclosed to affected water users community.

The guidance note on consultation could take the form of a *Decision* or a similar document that can ensure consistent consultation across provinces to avoid /minimize the potential adverse effect on the affected households, particularly the poor and vulnerable households.

Prior action 5. The Government has adopted policy for the development of more advanced and efficient irrigation systems (Government's Decree 77/2018/NDCCP dated May 16, 2018, and Decree 96/2018/ND-CP dated June 30, 2018 providing guidelines for prices of irrigation products and services and financial support for use of public irrigation products and services

Decree 77/2018/NDCCP dated May 16, 2018 (Regulation on the support for development of small irrigation, on-farm irrigation, advanced and water-saving irrigation)

There is no adverse effect anticipated for the poor/vulnerable people as a result of this Decree. However, it is anticipated that poor and vulnerable people, including ethnic minority peoples, may find it difficult to access these financial services. Typical hindrances include remote residence (from commune center) and limited access to general information and technical support, lack of understanding of the nature and forms of this financial support. EM peoples may also face language barrier as well as introductory information about the new technologies (i.e. improved irrigation such as drip, sprinkler irrigation system...) and how these water saving systems fit to their local conditions. They also experience difficulties filling the forms that are required by this Decree (for elderly peoples, ethnic minority peoples), and/or writing a proposal to seek for financial assistance under the Decree.

This Decree covers any people who are in need of support in irrigation in agriculture, particularly those who are poor and vulnerable. As such, for the poor peoples, or ethnic minority peoples, it is important that specific activities be designed to reach these peoples - in terms of information access, as a minimum. Since such a financial support is anticipated to be very helpful to the poor people in different ways, particularly in the context of increasing water scarcity. The following key activities are suggested:

- **Information Access:** Special attention should be made to ensure information of this Decree and relevant water technologies are timely and appropriately made available to local peoples, particularly to areas where the need for water saving is high. Information may be distributed through regular meetings at local levels – through mass organizations and head of EM groups.
- **Targeting:** Information dissemination should be targeted to the potential beneficiary groups to save time, costs, and effort. Information dissemination should be focused in areas where strong demand exists for improving small-scaled water system, applying water-saving systems, repairing/ installing sludge gates, and/or reinforcing existing irrigation canals.
- **Technical support:** Poor people, including EM peoples should be provided opportunities to interact with information providers, where and when needed, to ask for further clarification on the Decree as well as technical support on their preferred technology to think through it before submitting proposal. Local agricultural extension network, particularly those at district and commune level, should be accessible to provide technical guidance for farmers to enhance the feasibility of their proposal and increase the possibility of financing.

- **Implementation arrangement:** Under this Decree, MARD is expected to lead this initiative in collaboration with local governments. Thus, a guidance note on a) information dissemination, b) targeting plan, c) consultation plan and method, including technical support to be provided by local agricultural extension network, should be prepared to enable consistent implementation at local level. This will ensure people, particularly the poor and vulnerable, can have access to information about this initiative, necessary technical support, and decide if they want to submit proposal for financial assistance.

Decree 96/2018/ND-CP dated June 30, 2018 providing guidelines for prices of irrigation products and services and financial support for use of public irrigation products and services

The decree is expected to provide an overall positive effect. No adverse effect is anticipated. Thus, no mitigation measures is required.

Prior action 6. Prime Minister has issued adopted emissions standards for in-use and used cars (Prime Minister Decision No. 16/2019/QD-TTg dated March 28, 2019 setting the road map updating and Prime Minister Decision 249/2005/QD-TTg on automobiles)

Both decisions are anticipated to bring about an overall positive social effect by contributing to reduced air pollution which has a positive effect on human health. No adverse effect is anticipated. Thus, no mitigation measures is required.

Prior action 7. The Prime Minister has adopted a National Energy Efficiency Program through 2030 (Prime Minister Decision 280/2019/QD-TTg dated March 13, 2019 on National Energy Efficiency Program)

An overall positive social effect is anticipated as implementation of Decision 280/2019/QD-TTg is rolled out. No adverse effect is anticipated. Thus, no mitigation measures is required.

Prior action 8. The Prime Minister is about to approve a mechanism to promote solar power development in Vietnam, including a plan to pilot an auction mechanism by 2020 (Evidence: Draft Decree on mechanism to encourage solar power development in Vietnam)

As the draft Decree aims to encourage solar power development among private section, it is anticipated the draft Decision brings about an overall positive social effect – through generating electric energy (from a renewable source) that helps meet the increasing demand for electricity in Vietnam. It also helps increase the awareness of the general public and their support for use of solar power as a renewable energy. This could also encourage energy saving practice among individuals as a result of increased awareness on energy shortage and energy effect on the environment.

No potential adverse effect is anticipated for the target groups, as well the poor and vulnerable peoples. Therefore, no mitigation measure is required.

IV. RECOMMENDATIONS, GOOD PRACTICES & LESSONS LEARNED

4.1 RECOMMENDATIONS

In this section, based on the above analysis of potential effect of the prior actions, broad recommendations are made to reduce the odds of potential adverse effect while enhancing positive intended outcomes of the prior actions. To make an overall recommendation for this DPF, the eight prior actions are grouped into three broad categories. Category 1 comprises prior actions that potentially have medium- and long-term effect on the communities, including the poor/vulnerable, Category 2 include prior actions that aim for public education of environmental protection and target mostly better-off people. Category 3 involves prior actions that aim to strengthening sectorial technical aspects (with no direct effect on the general public):

Category 1 – Actions that potentially leave medium- and long-term effect on the communities, including the poor/vulnerable

This includes **Prior action #1, 4, and 5**. These three prior actions are expected to bring out a medium and long-term, overall positive effect on target groups – through promoting harmonized and sustainable development activities in which human’s development activities affect directly the environment which local people depends on as their means of livelihood. This is the case related to a) use and management of forest in which local people (mainly EM peoples) and investor (outsider) interact with each other under a project with an intended shared socio-economic and cultural benefits. This is also the case where rural people are encouraged to access financial support in installation of agricultural technologies that help save/retain water for their agricultural production. It is also about how appropriate groundwater exploitation is maintained without affecting businesses involved in groundwater exploitation and livelihood of local peoples who rely on the water sources provided by these businesses.

As these policies involve complex socioeconomic relations of peoples, moderating how the mutual benefits among the people involved are shared, critical issues such as stakeholder identification, stakeholder engagement, consultation with local peoples, monitoring and evaluation arrangements, should be examined carefully prior to project implementation. The understanding of socioeconomic and cultural characteristics of the population involved, the related ecosystem, and the potential capacity of the natural resources, as well as the demands of both local people and investor sharing the same natural resources are important to be considered. This aims to justify how the resources are used sustainably as these policies expect to achieve as its long-term policy objective. As a good practice, policies should not be limited to mentioning just key words which leave broad implications. It should provide details on how these policies should be done to achieve the desired goals. In the case of Vietnam, at the level of law, implementation of law is guided through decrees, circulars, and decisions, or detailed in project manual for national programs. Monitoring of the policy implementation is essential to inform policy adjustment – through decrees, circulars, or decisions, etc.

Category 2 – Actions that aim to educating the general public on environmental protection (target mostly enterprises and better off people)

This includes the following **prior actions #6, 7 and 8**, which regulate the exhaust emission standards for automobiles, efficient use of energy and energy saving, and development of solar energy as a renewable energy options in the future, respectively. While actions #6 is mandatory, actions #7 and 8 are encouraging by nature. It is a long-term educational process which involves awareness raising, provision of knowledge, changes in attitude, and changes in practices. This process involves actions expected from both individuals and community, with role models and change agents used to promote behavior change on the target groups. For examples, empirical evidences from some parts of Asia found that it is challenging to control household energy consumption – through implementation of government regulations. However, if peoples are educated to be conscious of global warming, they would change their behavior as to environmental protection. They are more likely involved in social interactions and community-based activities which affect energy-saving behaviors of people over time (Shiro Hori *et al*, 2013).

While these prior actions are overall positive, future policies may consider implementing education programs that promote the energy efficiency and saving behavior among target communities.

Category 3 – Actions that aim to strengthen sectorial technical aspects (with no/minor effect on the general public at large)

This includes **prior action #2 and 3** which are related to regional master planning and identification, classification and reporting of its public climate change and green growth-related investment allocations. This is to enhance the government’s internal administrative institution to promote climate change and green growth actions. No recommendation is made for enhancing the intended positive outcome.

4) Recommendations from gender perspective:

The team had conducted gender analysis and concluded that the project is not a candidate to be tagged as a complete result chain cannot be established. In particular, the team identified a gap between women and men in their time spent on fuel and/or water collection in some rural provinces, which might be linked to Prior Action #5, i.e. the Government’s adoption of a decree to regulate support for construction of small and on-farm irrigation systems and application of water saving for agriculture. However, existing time use data cannot be disaggregated to demonstrate the gap between female and male farmers in collecting irrigation water or water for household use. Moreover, the decree does not provide any incentives in formulating targeted irrigation policies to reduce water-collecting time for female farmers. Even if water collecting time would decrease the existing gender gap in engagement in unpaid work, it would be difficult to measure time use changes for female and male farmers within one year of the DPF operation.

4.2 GOOD PRACTICES

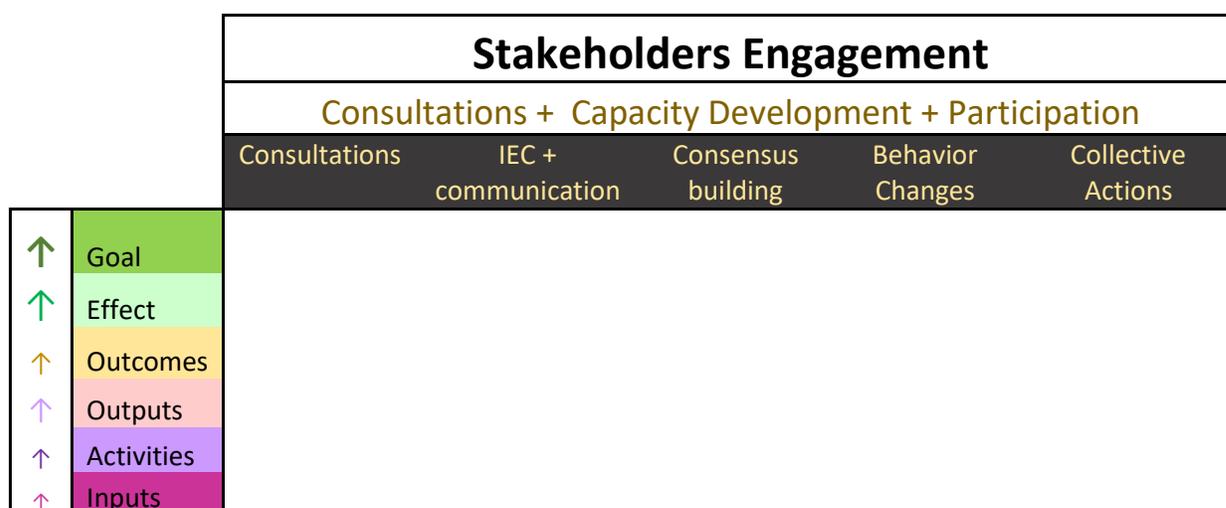
Policy is defined as a purposive course of actions followed by an actor or a set of actors in addressing a matter of concerns (Anderson 1975). Policy analysis – either *ex-post* or *ex-ante*, would involve a process of systematic investigation of the implementation and effect of the existing policy (Weimer & Vining 1999). This is to enable selection of sound policy with a view to improvement (Ukeles 1977).

Causal mechanism plays a central role for a policy and its relevant documents that guide the implementation of the policy in question – towards the intended effect. Various key factors affect the intended outcome as reflected in causal mechanism that results in the intended outcome of the policy. These include **stakeholders, human capacities, participation of local people, availability of financial resources, and importantly, stakeholders’ needs, interests, power and the influence of stakeholder groups**, as well as **consensus building**. Therefore these policies does not only provide a direction for implementation but also contextualize how these actions should be taken, in local context, to achieve the intended policy outcome.

For policies that affect communities as either beneficiaries and/or adversely groups, the policies should be materialized at the levels of decrees, circular, and decisions, or operationalized under national program or projects through publication of project manuals for guide specific actions. Decrees, circulars, and decisions should be developed based on the logic of a results chain, considering the abovementioned factors such as stakeholders involved, their capacities and interest, availability of financial resources, and importantly the local conditions which may alter the course of action, and thus, resulting in unintended outcome.

It is also equally important to consider how stakeholders are engaged during project/program preparation and implementation. Aspects that should be carefully incorporated into project/program design for monitoring and evaluation include **IEC** (information, education, and communication), **consultations, consensus building** (for cases involving shared interests, collective action). This include examination of local practices to inform how **behavior of the target groups** could be changed in the current socioeconomic and cultural context, and how **collective actions** could be promoted. Capacity of stakeholders should also be assessed and developed as the project proceeds.

As summarized in the table below, at the heart of development process and relevant policy implementation is the process of **Stakeholders Engagement**, which affects the eventual outcomes of policies.



4.3 LESSONS LEARNED

Key lessons learned for Category 1 (Prior action #1, 4, and 5) that potentially leave medium- and long-term effect on the communities, including the poor/vulnerable:

In Vietnam, lessons related to the importance of stakeholders engagement (Consultations + Capacity Development + Participation) could be drawn to indicate how this year-long commitment could be realized through quality consultations, IEC material and communication strategy and implementation to build community consensus for both individual behavior changes and collective actions. The Coastal Resources for Sustainable Development project (2013-2019), which was recently completed, offers valuable lessons that account for its success in planning (at master plan level) and implementation (at regional and local level) to promote positive behavior change among target individual and collective actions at community level. Targeting aquaculture farmers and fishing community, the project’s approach is to promote feasible and long-term changes based on existing local and traditional practices to bring project benefits to peoples’ livelihoods and sustain natural resources at large. The principles of stakeholder engagement under CRSD project is applicable to projects/programs to be carried under Policy Action #1, 4, and 5 as mentioned in Section 4.1 (Recommendations) above given these policies would have widespread effect on local livelihoods, particularly the poor and vulnerable groups (i.e. ethnic minority peoples).

Key lessons learned for Category 2 (Prior actions 6, 7 & 8) that aims for public education towards actions for environmental protection that target mostly enterprises and better off people:

A similar lesson related to air pollution and air pollution control which could be applicable for Vietnam is the case of air quality control in from European Union (EU) countries. The study completed in 2004 assessed the effectiveness of EU air quality policies and measures. The report suggests that to improve the effect of the policies, regular and consistent evaluation of policies should be conducted, covering economic, health and ecosystem assessment. More importantly, study suggest a focus/targeting on measures that helps reduce pollution from high-emitting

vehicles in which local government should take a lead role in developing innovative solutions that promote strong public participation. Organization of air quality management should be explored, including consideration of market-based mechanisms for reducing pollution emissions within target region.

Similarly, regarding energy saving initiative, a World Bank study (2013) also draws some lessons learned from EU countries. For instance, in countries with high levels of energy use, energy costs is not charged based on actual consumption, but on a proxy such as the size of an apartment to determine heating invoice, rather than consumption levels. Successful EU-12 countries adopt building-level metering and temperature controls, which results in a typical initial energy savings of 15-25 percent, simply by changing the incentive for households in control of energy used. This helped customers address affordability, changed their behaviors, and motivated low-cost, short payback investments in energy savings. Over the longer term, energy savings in these buildings was than 50 percent. It is noted once behavioral changes have taken place and a “tipping point” is established, costs to maintain this expected effect are reduced.

V. CONCLUSIONS

Using qualitative data, this PSIA attempted to examine the distributional effect of the prior actions (to be financed under this DPF) on the target groups – with a focus on the poor and vulnerable groups (including ethnic minority peoples). Key limitations for this analysis is the shortage of time and financial resources for qualitative analysis using primary data while quantitative analysis is expensive and would take longer period of time during project preparation. Nevertheless, this PSIA has attempted to assess the potential poverty and social effect of the prior actions that have potential adverse effect on the poor and vulnerable groups (prior action 1 and 4) using case studies to offer plausible results to propose recommendations focusing on monitoring and policy adjustment in the future to ensure the policy goals are met and potential adverse effect on the poor and vulnerable groups are avoid, or minimized if avoidance is not possible.

Overall, all the proposed prior actions under this DPF are anticipated to result in overall significant positive social effect, particularly on poverty reduction, livelihoods development, and environmental protection as per prior action #1, 4, and 5. Where opportunities exist for enhancing the intended positive effects of the prior actions, recommendations are made – based on World Bank’s experience and international good practices, particularly for sustainable forest management and agricultural extension.

Some prior actions are open to potentially adverse effect for the poor and vulnerable – not because of the policies themselves, but because of how these policies are translated into practice at local level by different stakeholders. Mitigation measures have been identified – through a) existing measures that are already embedded in existing legal system, and b) additional measures that are proposed as recommendations for government’s consideration. These measures aim to avoid identified potential adverse effect, primarily through diligent

consultation with potentially affected people, promoting their participation and ownership, and good preparation of plan which allow affected groups to adjust accordingly over time without compromising their livelihoods. Under this DPF, where adverse effect could not be avoided, compensation payment and/or necessary assistance will be made to affected peoples – as per existing law, such as compensation and assistance as per Land Law 2014 for those resettling out of the strictly prohibited subzone, if any, and for those whose income and livelihoods are affected

During policy implementation, it is highly recommended that the Government monitor closely the effect of the policies, as the policies are unfold at decree, circular and decision levels, to timely and appropriately adjust the course of actions. In addition, additional provision of specific guidance to guide policy implementation, along with appropriate financial resources allocation and capacity development for relevant stakeholders are important to achieving intended policy outcome. As a good practice, issues related to stakeholder engagement, capacity building, consensus building, and practical action plan are essential to successful delivery of the policies. Also, during implementation, application of policies should be closely monitored and evaluated periodically to allow timely and appropriate adjustments.

In a context where government has to make policy decision amid various national development priorities while resources are limited, increasing socialization in investment activities, particularly through increased participation of private sectors, would require that a set of sound policies be in place to guide for effective implementation. In whatever scenario, livelihoods of local people should be stabilized and benefits are shared among relevant stakeholders – in an equitable manner. In the face of depleting natural resources and increasing population, development activities needs to be implemented alongside effective management of potential adverse effect of development programs, particularly adverse effect on the poor and vulnerable people. This – has ever been more important – for the sustainable development in Vietnam.

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Annex 1 – List of Prior actions and Evidences

No.	Prior actions	Evidences
1	Prior action 1. Government adopted regulations providing guidance on how forest is classified, managed, and used, including guidance on forest environmental services and investment policies for forest protection, development, and sustainable forest management	Government Decree 156/2018/ND-CP dated November 16, 2018, and MARD Circular 28/2018 dated Nov 16, 2018)
2	Prior action 2. A Government Decree guiding implementation of the Planning Law and a PM Decision on Setting up Regional Planning Council are expected.	Government has issued Decree 37/2019/ND-CP dated 7 May 2019 providing detailed regulations for implementation of the Law of Planning; and Prime Minister, issued Decision No. 1226/QD-TTg dated September 24, 2018 establishing the National Planning Council tasked with the responsibility of developing regional master plans for the Mekong Delta and other regions.
3	Prior action 3. MPI has established a regulation on the identification, classification and reporting of its public climate change and green growth-related investment allocations	MPI Minister Decision 1085/QD-BKHDT dated July 16, 2018 on identification, classification and reporting of its public climate change and green growth-related investment allocations
4	Prior action 4. <i>[Partially delivered]</i> The Government has adopted regulations on (1) management of sand mining and river works planning with main objective for protection of water sources, and (2) regarding restriction of exploitation of groundwater	Government Decree on sand mining (expected by end 2019) regulating the protection of beds, banks, and alluvial grounds of rivers and Government Decree No. 167/2018/ND-CP dated December 26, 2018)
5	Prior action 5. The Government has adopted policy for the development of more advanced and efficient irrigation systems	Government's Decree 77/2018/NDCCP dated May 16, 2018, and Decree 96/2018/ND-CP dated June 30, 2018 providing guidelines for prices of irrigation products and services and financial support for use of public irrigation products and services
6	Prior action 6. Prime Minister has issued adopted emissions standards for in-use and used cars	(Prime Minister Decision No. 16/2019/QD-TTg dated March 28, 2019 setting the road map updating and Prime Minister Decision 249/2005/QD-TTg on automobiles)

7	Prior action 7. The Prime Minister has approved a National Energy Efficiency Program through 2030	(Prime Minister Decision 280/2019/QD-TTg dated March 13, 2019 on National Energy Efficiency Program)
8	Prior action 8. <i>[Not delivered]</i> The Prime Minister will adopt a mechanism to promote solar power development in Vietnam, including a plan to pilot an auction mechanism by 2020	Prime Minister’s draft Decision on support mechanisms for the development of solar power projects in Vietnam)

Annex 2 – Summary of Potential Effects and Measures for Mitigating Adverse Effects

Prior actions	Significant poverty, social or distributional effects positive or negative	Measures to mitigate adverse effects/ enhance positive effects
<h3>Pillar 1. Promoting Adaptation and Resilience to Climate Change Effects</h3>		
<p><i>Policy Track 1.1 – Climate Smart Landscapes – Contributing GP: ENR</i></p>		
<p>Prior action #1 [Delivered] Government adopted regulations providing guidance on how forest is classified, managed, and used, including guidance on forest environmental services and investment policies for forest protection, development, and sustainable forest management</p> <p>[Government Decree 156/2018/ND-CP dated November 16, 2018 providing details for a number of articles of the Law on Forestry and MARD Circular 28/2018 dated Nov 16, 2018 providing regulation for sustainable forest management]</p>	<p><u>For Government Decree 156/2018/ND-CP</u> Overall positive effect as the Decree translates a number of articles from the Law on Forestry into practice, aiming at promoting better management, use and protection of forest through enabling forest users to earn forest based income while protecting the forests. In particular, it covers key areas such as 1) criteria for identification and classification of forest types, regulations for forest management, 2) allocation of forests, lease of production forests, recategorization of forests, conversion of forests into other purpose, and acquisition of forest land, 3) fire prevention and firefighting of forests, 4) payers, methods of payment, rates and adjustment, exemption from and reduced payment for forest environmental services; and management and use of collected money from forest environment services, 5) investment policies for protection and development of forest. Potential adverse effect is likely for target groups, especially for poor/ethnic minority peoples (who may live in the forest, particularly those living in the strictly prohibited subzone of the core zone. Effect may range from physical resettlement out of strictly protected area of the core zone, and restriction of access, at</p>	<p>Measures to avoid potential adverse effect and enhance potential positive effect: Meaningful consultation with poor/EM peoples during identification of core and buffer zones is important. The following good practices are recommended for use by the special-use forest board:</p> <ul style="list-style-type: none"> • Project’s potential effect should be assessed with participation of the affected groups • Project’s potential effect should be disclosed to affected groups, including EM peoples, during project preparation • Consultation with poor/EM peoples should be in their own language, whenever possible • Compensation and support package clearly explained to affected peoples • Grievance mechanism should be in place, using traditional system of affected EM groups • Development activities that aims to benefit EM peoples should be built on their needs, consultation with them, and should be culturally appropriate; • Topics for consultation should be informed to the poor/EM people well in advance of consultation; • Independent monitoring consultant should be engaged to monitor the project activities

	<p>various extents, to forest resources on the part of local people who depend on forest resources within the core and buffer zone of the forest established as a special-use forest.</p> <p><u>For MARD Circular 28/2018</u> Overall positive effect as the Circular is applied to forest owners whose project activities are related to sustainable forest management. The Circular provides detailed technical and procedural requirements on how a sustainable forest plan is prepared. Both national and international laws, conventions, and good practices on sustainable forest management are integrated into this Circular and detailed at Circular Annexes.</p> <p>Potential adverse effect is likely for target groups, especially for poor people and vulnerable groups, including ethnic minority peoples (who may live in the forest/buffer zones)</p>	<ul style="list-style-type: none"> • Findings from independent report should be incorporated plan of action and shared in annual meetings with provincial DARD. • Alternative livelihoods options should be developed as a long-term solution, rather than ad-hoc activities. These development activities could be done in phases and integrated into annual support program for the affected households (40 mil VND/village).
<p>Prior action #2 Government has issued Decree 37/2019/NĐ-CP dated 7 May 2019 providing detailed regulations for implementation of the Law of Planning</p>	<p>Overall positive effect as the Decree aims to support government’s implementation in planning and implementation of the master plans at national, regional, provincial levels.</p> <p>No potential adverse effect for target groups, including the poor people and vulnerable groups.</p>	<p>No mitigation measure is required.</p>
<p>Policy Track 1.2 - Climate Change and Green Growth Budgeting</p>		
<p>Prior action #3 [Delivered] MPI has established a regulation on the identification, classification and reporting of its public climate change and green growth-related investment allocations</p> <p><i>[MPI Minister Decision 1085/QĐ-BKHDT dated July 16, 2018 on identification, classification and reporting of its public climate change</i></p>	<p>Overall positive effect as the Decision aims to assist the classification of investment projects with a view to develop the national budget under the annual or 5-year list of public investment projects</p> <p>No potential adverse effect anticipated for target groups.</p>	<p>No mitigation measure is required.</p>

and green growth-related investment allocations]		
Policy Track 1.3 - Improving Water Protection and Use Efficiency		
<p>Prior action #4 [Partially delivered] The Government has adopted regulations on (1) management of sand mining and river works planning with main objective for protection of water sources, and (2) groundwater protection to prevent saline intrusion and land subsidence</p> <p><i>[Government Decree (not yet delivered) regulating the protection of beds, banks, and alluvial grounds of rivers, and Government Decree No. 167/2018/ND-CP dated December 26, 2018 regarding restriction of exploitation of groundwater]</i></p>	<p>Overall positive effect, particularly on environment and human health as the Decree enforces restriction of groundwater use in certain areas to protect aquifer, geology, environment, and to prevent use of groundwater that is contaminated.</p> <p>Potential adverse effect is anticipated for business affected by water access restriction (at varying degrees) and for local people who are temporarily affected as they depend on the water services provided by the affected businesses</p> <p>Despite overall positive effect, certain businesses involved in drilling, exploitation and use of water may be potentially affected to varying degrees. Compensation will be made as per Decree. Some local people who rely on water provided by these business may be affected temporarily. Assistance/compensation for these peoples are not yet mentioned in the Decree.</p> <p>Mitigations are proposed (See right column)</p>	<p>Measure to avoid/minimize adverse effect: Ensure water user who are client of affected businesses are consulted appropriately and measures are in place to avoid/minimize such potential adverse effect on local people. A guidance note on consultation (could be in the form of a Decision) should be issued by MONRE to guide provinces to do consultation with potentially affected people. Consultation needs to assess key aspects:</p> <ul style="list-style-type: none"> • Scope of effect (on water users affected by discontinuation of the affected business involving in water exploitation; • Potential effect (as a result of water lack) on livelihood and income generation of the affected water users, particularly poor and vulnerable households; • Identification of alternative clean water source that affected households may switch to in order to maintain their livelihood and income generation; • Concrete plan, including detailed process, for activities to be done which result in water exploitation restriction, and corresponding plan to ensure the disruption to water use is avoided/minimized, and compensation/assistance is provided to affected households in case avoidance is not possible;
<p>Prior action #5 Government has adopted policy for the development of more advanced and efficient irrigation systems <i>[Decree 77/2018/NDCCP dated May 16, 2018, and Decree 96/2018/ND-CP dated June 30, 2018 providing guidelines for prices of irrigation</i></p>	<p>Overall positive effect, as the Decree encourages organizations and individuals to take active roles in managing their own water need for irrigation purpose by requesting government financial assistance for them to build small scale reservoirs, improved irrigation and water saving</p>	<p>Measure to further enhance potential positive effect: Poor/vulnerable households, including ethnic minority peoples, may experience difficulties in accessing this financial assistance if specific activities are not designed and implemented at commune level to raise their awareness, provide them</p>

<p>products and services and financial support for use of public irrigation products and services]</p>	<p>systems , installation of electric water pump, construction of sludge gates, and reinforcement of existing irrigation channels.</p>	<p>necessary technical support, and encourage them to access the fund, particularly with water saving technologies that are financed on the condition that the crops are of key national and local ones that are appropriate to market and local climate. Following key activities are suggested:</p>
	<p>No potential adverse effect for target groups, including the poor people and vulnerable groups.</p>	<ul style="list-style-type: none"> • Information Access: Special attention should be made to ensure policy and technology information are timely distributed to local peoples – particularly in a manner that enable EM peoples to interact with information providers to ask for clarification and for follow-up technical support to complete the proposal for submission of proposals. • Targeting: Information dissemination should be targeted to the potential beneficiary groups to save time, costs, and effort. Information dissemination should be focused in areas where strong demand exists for improving small-scaled water system, applying water-saving systems, repairing/ installing sludge gates, and/or reinforcing existing irrigation canals. • Implementation arrangement: A guidance note on a) information dissemination, b) targeting plan, c) consultation plan and method, including technical support, should be prepared to enable consistent unfolding of these activities at local level. This will ensure people, particularly the poor and vulnerable, can have access to and decide if they want to submit proposal for financial assistance.

Pillar 2: Promote cleaner and more efficient consumption in Vietnam

Policy Track 2.1 - Cleaner Transport – Contributing GP: Transport

<p>Prior action #6 [Delivered] Prime Minister has issued adopted emissions standards for automobile in use and imported used automobiles</p> <p><i>[PM Decision No. 16/2019/QD-TTg dated March 28, 2019 specifying roadmap for application of exhaust emission standards for automobiles and imported used automobiles, and PM Decision 249/2005/QD-TTg dated October 10, 2005 specifying roadmap for application of exhaust emission standards for automobiles]</i></p>	<p>Overall positive effect expected since application of emission standards helps reduce the level of air pollution which has a positive effect on human health.</p> <p>No potential adverse effect anticipated for target groups (albeit automobiles not passing the exhaust emission test may cost owners extra expenses repairing/buying new car)</p>	<p>No mitigation measure is required.</p>
<p>Policy Track 2.2 - Towards a Low-Carbon Energy Transition – Contributing GP: Energy & Extractives</p>		
<p>Prior action #7 [Delivered] Prime Minister has approved a National Energy Efficiency Program through 2030</p> <p><i>[Decision 280/2019/QD-TTg dated March 13, 2019 on National Energy Efficiency Program]</i></p>	<p>Overall positive effect expected as the Decision promotes efficient use of energy in businesses and promote behavior change towards economical and effective use of energy</p> <p>No potential adverse effect for the target groups.</p>	<p>No mitigation measure is required.</p>
<p>Prior action #8 The Prime Minister is about to approve a mechanism to promote solar power development in Vietnam, including a plan to pilot an auction mechanism by 2020 (Evidence: Draft Decree on mechanism to encourage solar power development in Vietnam)</p> <p><i>[Prime Minister Decision X (expected by June 2019) on support mechanisms for the development of solar power projects in Vietnam]</i></p>	<p>Overall positive effect expected as the draft Decision aims to encourage solar power development among private section, which helps meet the increasing demand for electricity in Vietnam. It also helps increase the awareness of the general public and their support for solar power as an alternative source of energy. This could also encourage energy saving practice among individual as a result of increased awareness on energy shortage.</p> <p>No potential adverse effect anticipated for the target groups, as well the poor and vulnerable peoples.</p>	<p>No mitigation measure is required.</p>

Annex 3 – Further Elaboration of Prior action 4 (Decree 167/2018/ND-CP) on groundwater protection

Scope of application:

This Decree is applied only to organizations and individuals who are required to obtain a governmental permit for their exploration and/or exploitation of groundwater⁶ - as per Item 1 and 2 of Article 52 of Law on Water Resources. This Decree is not applied to those who exploit underground water for the purpose of a) households' domestic use⁷, b) small-scale production, business, services, c) cultural, religious and scientific purpose (Article 2 of this Decree, and Item 1 and 2 of Article 52, and Article 44 of the Law on Water Resources 2012).

Therefore, individual households, including those who are poor/vulnerable are not affected by this Decree.

Principles of Decree 167/2018/ND-CP

- Restriction should be commensurate to nature of the area subject to submersion, contamination, saline intrusion, exhaustion of water sources.
- Transparent, public disclosure and concentrate only on identified restriction area
- The need for protection of groundwater should be in harmony with and legitimate right and benefits of the organization and individual, including compensation payment to the affected parties when applicable.
- Restrictions should follow a time plan. In case the identification of restriction area is not accurate, restriction measures and action will be postponed and compensation will be made if such inaccurate identification cause economic loss to the legitimate ground water exploitation organization and individuals.

The expected output of this Decree is:

1. Based on the specifications regarding effect zone described at Article 6 to 10, DONRE will conduct survey and prepare a list of area that need restriction of groundwater exploitation.
2. Each area requiring restriction need to have the following information: restriction area, administrative area requiring restriction, depth and aquifer, restriction measures that will be applied

⁶ 1. Groundwater extraction works are a system that consists of one or more bored wells, dug wells, pits, corridors, veins and caves for groundwater extraction owned by an organization or individual and with the adjacent distance between them of less than 1,000m (Circular No. 27/2014/TT-BTNMT dated May 30, 2014).

⁷ However, it is specified at Item 2 of Article 44 of the Law of Water Resources that households extract ground water for domestic use at area where water is at excessively low level will require permit.

3. Based on the list, a map showing the area of restriction will be prepared.
4. The list of groundwater restriction area and its map will be disclosed for comments of DARD, Department of Construction, Department of Industry and Commerce, Department of Health, relevant Peoples' Committees, representatives of community, organization, and individuals involved in exploitation and usage of groundwater.
5. Documents incorporating comments from above stakeholders will be submitted to MONRE for review and approval. Where necessary, MONRE will provide expert comments on the submitted documents.
6. Final documents, including list and map of area requiring groundwater use restriction will be disclosed to affected area.
7. Based on approved plan, a list of establishments currently involved in groundwater exploitation will be announced, including those with permit and without permit.
8. The approved plan will also have a pathway to exercise the restriction for each type of restriction.

