VIETNAM: LIVESTOCK COMPETITIVENESS AND FOOD SAFETY PROJECT

POLICY FRAMEWORK FOR ETHNIC MINORITY DEVELOPMENT

March, 2009
EXECUTIVE SUMMARY

The overall goal of the Livestock Competitiveness and Food Safety Project (LIFSAP) is to improve the competitiveness of the household livestock producers who are facing increased competition from large scale commercial livestock producers through the provision of improved veterinary services and production advice to household producers in order to improve their production efficiency and competitiveness. By introducing a range of measures to improve food safety within the traditional meat supply chain, the project will also protect the livelihoods of the thousands of small-scale individual retailers that currently sell meat to the vast majority Vietnamese people who buy their food in traditional open markets in rural towns as well as the larger cities. The project will operate at both national and provincial levels and consists of three components: Component A: Upgrading Household-Based Livestock Production and Market Integration; Component B: Strengthening Central-Level Livestock and Veterinary Services; and Component C: Project Management and Monitoring and Evaluation.

The proposed project will be implemented in 12 cities and provinces, including: Hanoi, Thai Binh, Dong Nai, Hochiminh city, Cao Bang, Hai Duong, Hung Yen, Hai Phong, Thanh Hoa, Nghe An, Lam Dong and Long An. Four provinces or cities namely Ha Noi, Ho Chi Minh City, Thai Binh and Dong Nai will participate in the first phase of the Project.

Ethnic minorities are found in 7 out of 12 proposed project provinces with the highest proportion in Cao Bang and Lam Dong provinces (95.3% and 22.9% respectively). Other provinces having some ethnic minorities are: Thanh Hoa; Nghe An, Dong Nai and Ha Tay (now part of Hanoi). In the two rapidly urbanized provinces, Ha Tay and Dong Nai, however, the ethnic minority population is limited (1% in Ha Tay and 4% in Dong Nai). The Muong and Tay ethnic groups in these two provinces are fully integrated with the dominant Kinh group. They have adopted Kinh language, dress and economic systems and therefore do not maintain a distinct cultural or social identity. Although it is anticipated that ethnic minority people will benefit, particular attention may be needed to ensure that ethnic minority people are able to participate fully in the planning and implementation of the Project. In particular, special consideration may be needed to ensure that ethnic minority people fully participate in the design and implementation of the Livestock Planning Zones (LPZ). Language differences, lower skills and greater poverty may impact on their ability to participate and benefit in the same degree as the mainstream population.

The World Bank’s policy on Indigenous People contributes to poverty reduction and sustainable development by ensuring that the development processes fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples. As Project activities may have impact on ethnic minority people an Ethnic Minority Planning Framework (EMPF) has been prepared to ensure that a process of free, prior, and informed consultation takes place between the Project and ethnic minority communities. The EMPF (and subsequent Ethnic Minority Develop Plan if required) will ensure that the Project include measures to avoid potentially adverse effects on the ethnic minority peoples, or when avoidance is not feasible, minimize, mitigate, or compensate for such effects.

The EMPF has been prepared on the basis of the Government’s policies and programs for ethnic minority groups and also complies with World Bank’s Policy on Indigenous People. The EMPF set outs the policy, principles, and implementation mechanisms to ensure participation of ethnic minority people and to address the negative and positive impacts of subprojects on ethnic minority communities during project implementation.
1. INTRODUCTION

The project development objective is to improve the competitiveness of household-based livestock producers by addressing production, food safety and environment risks in livestock product supply chains in the selected provinces. The main project beneficiaries will be household livestock producers. The project aims to support livestock-producing households with the potential to stay competitive and participate in the livestock sector's growth. In Vietnam the output from the household-based livestock producer comprises about seventy percent of overall livestock sector production. The households producers would be the ultimate beneficiaries of improved production and marketing procedures developed under this project, providing an opportunity to move towards small or medium scale commercial production. The project will also improve meat safety along the market chains that serve the bulk of Vietnam's 84 million populations.

The project will operate at both national and provincial levels and consists of three components: Component A: Upgrading Household-Based Livestock Production and Market Integration; Component B: Strengthening Central-Level Livestock and Veterinary Services; and Component C: Project Management and Monitoring and Evaluation.

Component A: Upgrading Household-Based Livestock Production and Market Integration. This component consists of four subcomponents, including: (i) Promoting GAP in priority production areas; (ii) Piloting of Livestock Production Zones (LPZs); (iii) Upgrading Slaughterhouses and Meat Markets; and (iv) Provincial Capacity Building and Monitoring.

Component B: Strengthening Central-Level Livestock and Veterinary Services. This component consists of two subcomponents, including: (i) Strengthening the capacity of Department of Livestock Production, and (ii) Strengthening the capacity of Department of Animal Health

Component C: including two subcomponents (i) Project Management and (ii) Monitoring and Evaluation

1.1.1. Proposed LPZs

The establishment of LPZs is consistent with the Government's approach to establish disease free production areas, to separate urban development from livestock production areas, and to provide access to improved infrastructure to stimulate increased livestock production. It is also consistent with the Government’s Strategy on Food Safety. While these are longer term objectives given the current state of the industries in Viet Nam, the LPZs are seen as an interim measure that will contribute to the achievement of the longer term objectives of Government and OIE. Criteria for the identification of LPZs can be summarized as: (i) those districts with significant numbers of either pigs or poultry, (ii) those districts with good market access to a significant urban population, (iii) those districts with good road access to urban populations, (iv) those districts with sufficient land area to accommodate improved waste treatment systems, and (v) those districts in which the distribution of farm size is not comprised only of small scale producers.

The Project will assist in demonstrating how the identification and operations of such zones might be achieved from a planning perspective and how the Government might deal with the social issues arising from same. The outcome from this subcomponent will be the demonstration of functional LPZs, possibly one in each province with final numbers to be
determined during implementation. To stimulate further private investment in livestock production within these zones, the Government will enhance public infrastructure in the form of roads, water and electricity supplies, drainage facilities and waste treatment plants depending on the needs. These will be identified using participatory identification procedures facilitated by the Project. The Project will fund the detailed design and supervision contracts for the construction of civil works identified in this manner. It will ensure the necessary safeguards are addressed in the development of such infrastructure, particularly in respect of inclusion of disadvantaged groups in the identification processes as well as environmental and resettlement considerations.
2. LEGAL AND POLICY FRAMEWORK

2.1. NATIONAL POLICIES COVERING ETHNIC MINORITIES

The definition of ethnic minority in Viet Nam is based on the following four criteria:

- (i) a language different from the national language;
- (ii) long traditional residence on, or relationship with, land; and long traditional social institutional system;
- (iii) a self-provided production system; and
- (iv) a distinct cultural identity, and self-identification as a distinct cultural group that is accepted by neighboring ethnic groups.

Article 5 of the Constitution of Viet Nam (1992) acknowledges equality among ethnic groups which includes. General principles as identified in the present Constitution and basic laws are as follows:

- Viet Nam is a united nation of all ethnic groups living within the country.
- The State protects, strengthens, and consolidates the unity of all ethnic groups and prohibits any behavior that looks down upon and sows division among them.
- All ethnic groups are in a position of equality.
- All persons of all ethnic groups should automatically be citizens of the Vietnamese State. They are equal in their rights and obligations.
- All ethnic groups have the right to use their own languages and writing systems, and to encourage their traditional customs and culture.
- The State should carry out plans to narrow the gap between ethnic groups in terms of their economic and cultural development.

Vietnamese population is officially classified into 54 ethnic groups, of which the Kinh, the majority, account for about 87 percent. While the ethnic minorities account for only 13.8 percent of the national population, they also account for 39 of Viet Nam's poor, and in 12 of the 13 poorest provinces they account for more than half of the poor. The main national targeted policy and programs are:

**Sedentarization Policy:** government Resolution No.38/CP of 12 March 1968 officially launched a campaign for shifting cultivators to practice sedentarization and fixed cultivation. By 1990, after 20 years of implementation, 2.8 million people had been resettled in 26 mountainous areas. In 1998, activities within this program became parts of the national program 135 (below).

**Program 135:** The Program for Socioeconomic Development in the Most Disadvantaged Communes (Program 135) was promulgated in 1998 and covered 1,715 communes in mountainous areas. The focal activities of Program 135 is building infrastructure (roads, small irrigation, clean water systems, schools, health canters etc). The Government has prepared the second phase of Program 135, which will be implemented in around 1,644 of the country's poorest communes. The Program will be funded from a multi-donor facility, of which World Bank is contributing a US$50 million and it was just approved by the Board on 21 March 2007.

**Land and Forest Policy:** To deal with forest degradation, the State issues a policy of land and forest allocation to cooperatives and households in the 1980s. This policy was

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1 Program 135 - Decree No 135/1998/ QD-TTg of the Prime Minister
expanded particularly after promulgation of Land Code in 1993. A large area of land that previously belonged to state organizations is being transferred to the people to manage. In the Central Highlands, the land area managed by the State has been reduced by 26%. In the 2006–2010 Socioeconomic Development Plan (SEDP), the Government plans to continue to transfer forest land to local households.

There are two agencies that have been mandated to look after matters related to ethnic minorities:

(i) Ethnic People’s Council of the National Assembly which is responsible for submitting proposals and plans for ethnic minority groups, and controlling and monitoring the implementation of national policies and development programs towards to ethnic minorities; and

(ii) State Committee for Ethnic Minority Affairs (CEM) which is responsible mainly for the proposal of policies and supervision of development programs for ethnic minorities, including Program 135.

2.2. THE WORLD BANK’S POLICY ON INDIGENOUS PEOPLE

The World Bank’s policy on Indigenous People contributes to the Bank’s mission of poverty reduction and sustainable development by ensuring that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples. For all projects that are proposed for Bank financing and affect Indigenous Peoples, the Bank requires the borrower to engage in a process of free, prior, and informed consultation. The Bank provides project financing only where free, prior, and informed consultation results in broad community support to the project by the affected Indigenous Peoples. Such Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples’ communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and intergenerationally inclusive.

The Bank recognizes that the identities and cultures of Indigenous Peoples are inextricably linked to the lands on which they live and the natural resources on which they depend. These distinct circumstances expose Indigenous Peoples to different types of risks and levels of impacts from development projects, including loss of identity, culture, and customary livelihoods, as well as exposure to disease. Gender and intergenerational issues among Indigenous Peoples also are complex. As social groups with identities that are often distinct from dominant groups in their national societies, Indigenous Peoples are frequently among the most marginalized and vulnerable segments of the population. As a result, their economic, social, and legal status often limits their capacity to defend their interests in and rights to lands, territories, and other productive resources, and/or restricts their ability to participate in and benefit from development. At the same time, the Bank recognizes that Indigenous Peoples play a vital role in sustainable development and that their rights are increasingly being addressed under both domestic and international law.

Identification: Because of the varied and changing contexts in which Indigenous Peoples live and because there is no universally accepted definition of “Indigenous Peoples,” the Bank’s policy does not define the term. Indigenous Peoples may be referred to in different countries by such terms as “indigenous ethnic minorities,” “aboriginals,” “hill tribes,” “minority nationalities,” “scheduled tribes,” or “tribal groups.”

For purposes of this policy, the term “Indigenous Peoples” is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees:
• self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
• collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
• customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
• an indigenous language, often different from the official language of the country or region.

A group that has lost “collective attachment to geographically distinct habitats or ancestral territories in the project area” because of forced severance remains eligible for coverage under this policy. Ascertaining whether a particular group is considered as “Indigenous Peoples” for the purpose of this policy may require a technical judgment.
3. ETHNIC MINORITY GROUPS IN VIETNAM

3.1. OVERVIEW OF ETHNIC MINORITY POVERTY

Despite the attention and efforts made by the Government, 61 percent of ethnic minority people were still poor in 2004, while only 14 percent of Kinh and Chinese people were still living in poverty. Figure 2 shows that the gap in welfare between the majority and minority groups has grown over the decade. Ethnic Minority people account for only 13.8 percent of the population of Viet Nam but account for 39 percent of the total poor. This represents a near-doubling of the proportion of ethnic minorities in the poor population in eleven years. If these trends remain unchanged, it is likely that in five years’ time poverty will be overwhelmingly an issue of ethnicity.

![Figure 2: The Difference Between Kinh And Ethnic Minority Poverty Widens.](image)

This picture of rapid poverty reduction for the Kinh and Chinese combined with much more modest progress for ethnic minority populations holds true in every region of the country. In most regions, the poverty rate for the Kinh and Chinese in 2004 lies around the national 18 percent. Even in regions considered more remote, the Kinh population has seen remarkable improvements in living standards. In the central Highlands, for example, 13.6 percent of the Kinh and Chinese population were poor in 2004. And in the North West, the poorest region in the country by a significant margin, still only 17 percent of the Kinh and Chinese are poor.

Ethnic minorities, by contrast, have experiences far fewer gains in every region of the country except the Mekong Delta. With the exception of the Mekong Delta, ethnic minority poverty rates are above 50 percent in every region and are well above 70 percent in several regions. In one region – the South Central Coast – data show that more than 90 percent of ethnic minorities were living in poverty in 2004 while only 15 percent of Kinh and Chinese people within the same region are poor. Figure 3 shows trends for Kinh and ethnic minority poverty in two mountainous regions - the North West and the Central Highlands – and demonstrates how Kinh people have found greater prosperity over recent years despite the disadvantages of geography. Poverty reduction among ethnic minorities in the North East has been more rapid than in these two regions.
The data also indicate that in 2004, the average poor person from an ethnic minority, with per capita expenditures equal to only 67 percent of the poverty line, is poorer than the average poor person from the Kinh-Hoa group, whose consumption would be 80 percent of the poverty line. The under-performance of the ethnic minorities against the Kinh-Hoa group is also significant with regards to social indicators. In particular, in 2004, only 4 percent of ethnic minority people have access to sanitation and 19 percent to clean water, as opposed to respective figures of 36 percent and 63 percent for the Kinh-Hoa group.

3.1.1. Ethnic Minority Groups in Project Provinces
Not including Kinh and Hoa (Chinese) the project provinces are home to 21 of Viet Nam’s 54 ethnic minority groups. Cao Bang stands out with over 95 percent of the population belonging to an ethnic minority group. Sizable ethnic minority populations are also found in Lam Dong, Thanh Hoa and Nghe An provinces.

Table 1: Selected Provincial Statistics
<table>
<thead>
<tr>
<th>Project Provinces</th>
<th>Total Population (1000s)</th>
<th>% Ethnic Minority</th>
<th>Population density (Person/km²)</th>
<th>2004 Food Poverty Rate (%)</th>
<th>% Rural</th>
<th>% Urban</th>
<th>% GDP Agriculture, Forestry-Fishery</th>
<th>Main EM groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cao Bang</td>
<td>514.6</td>
<td>95.3</td>
<td>77</td>
<td>21.9</td>
<td>13.6</td>
<td>86.4</td>
<td>43.1</td>
<td>Tay, Nung, Dao, Hmong</td>
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<tr>
<td>Ha Tay*</td>
<td>2,525.7</td>
<td>1.0</td>
<td>1,152</td>
<td>6.9</td>
<td>89.7</td>
<td>10.3</td>
<td>34.3</td>
<td>Muong, Tay, Thai, Nung</td>
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<tr>
<td>Hai Duong</td>
<td>1,711.4</td>
<td>0.26</td>
<td>1,038</td>
<td>5.5</td>
<td>84.4</td>
<td>15.6</td>
<td>25.3</td>
<td>San Diu, Tay, Nung, Thai</td>
</tr>
<tr>
<td>Hai Phong</td>
<td>1,792.7</td>
<td>0</td>
<td>1,175</td>
<td>3.9</td>
<td>54.2</td>
<td>45.8</td>
<td>36.6</td>
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<tr>
<td>Hung Yen</td>
<td>1,134.1</td>
<td>0</td>
<td>1,229</td>
<td>4</td>
<td>88.9</td>
<td>11.1</td>
<td>52.4</td>
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<td>Thai Binh</td>
<td>1,860.6</td>
<td>0</td>
<td>1,204</td>
<td>4.3</td>
<td>92.7</td>
<td>7.3</td>
<td>13.0</td>
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<tr>
<td>Thanh Hoa</td>
<td>3,677.0</td>
<td>14.4</td>
<td>331</td>
<td>11.2</td>
<td>90.2</td>
<td>9.8</td>
<td>32.5</td>
<td>Muong, Thai, Hmong, Tho, Dao and Tay</td>
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<tr>
<td>Nghe An</td>
<td>3,042.0</td>
<td>13.3</td>
<td>185</td>
<td>13.4</td>
<td>89.4</td>
<td>10.6</td>
<td>37.1</td>
<td>Thai, Tho, Kho Mu, Hmong and Muong</td>
</tr>
<tr>
<td>Lam Dong</td>
<td>1,161.0</td>
<td>22.9</td>
<td>119</td>
<td>8.6</td>
<td>62.4</td>
<td>37.6</td>
<td>17.2</td>
<td>Coho, Nung, Tay, Thai, and Muong</td>
</tr>
<tr>
<td>Dong Nai</td>
<td>2,193.4</td>
<td>4.0</td>
<td>372</td>
<td>1.2</td>
<td>69.0</td>
<td>31.0</td>
<td>42.3</td>
<td>Nung, Tay, Choro</td>
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<td>HCM City</td>
<td>5,891.1</td>
<td>0</td>
<td>2,812</td>
<td>0.2</td>
<td>14.1</td>
<td>85.9</td>
<td>1.7</td>
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<tr>
<td>Long An</td>
<td>1412.7</td>
<td>0</td>
<td>315</td>
<td>4.3</td>
<td>83.4</td>
<td>16.6</td>
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<tr>
<td>Vietnam</td>
<td>83,119.9</td>
<td>13.8</td>
<td>252</td>
<td>6.9</td>
<td>26.9</td>
<td>73.1</td>
<td>20.4</td>
<td></td>
</tr>
</tbody>
</table>

Source: Data on EMs comes from Cencus 1999 (source: cema.gov.vn). All provinces with 0% EMs are not listed in the statistics as having EMs. Other data comes from Vietnam Household Living Standards Survey, GSO, 2006

* Ha Tay province is now merged with Hanoi. Therefore the % of EM for project participating Hanoi is much lower than 1%.

Ethnic minorities are found in 7 out of 12 proposed project provinces with the highest proportion in Cao Bang and Lam Dong provinces (95.3% and 22.9% respectively). Other provinces having some ethnic minorities are: Thanh Hoa; Nghe An, Dong Nai and Ha Tay (merged with Hanoi recently). In the two rapidly urbanized provinces, Ha Tay and Dong Nai, however, the ethnic minority population is limited (1% in Ha Tay and 4% in Dong Nai). The Muong and Tay ethnic groups in these two provinces are fully integrated with the dominant Kinh group. They have adopted Kinh language, dress and economic systems and therefore do not maintain a distinct cultural or social identity.

3.1.2. Ethnic Minority Women

Women are major contributors in the agriculture sector and appear to be taking an increasingly important role. Agricultural production is increasingly dependent on women’s labor. There are 12 million women farmers and 52 percent of the agricultural workforce are women. Nevertheless, there is a lack of awareness of women's important role in agriculture. Scaling-up may be a threat to improved gender outcomes if it edges out smallholders from livestock production.

Despite their heavy participation in agriculture, ethnic minority women are less likely to have any security of land tenure. Land titles issued to ethnic minority households are less likely to have a woman's name included than those issued to Kinh Chinese households. For annual agricultural land, 36 percent of titles held by Kinh/Chinese either were held in the name of women or jointly, while for those held by ethnic minorities the figure was 21 percent. The discrepancy was even greater for titles for residential land, thereby 42 percent of the titles held by Kinh Chinese were held by women or jointly, compared to only 23 percent of ethnic minority women. (World Bank, 2006). For many ethnic groups, inheritance customs passing land through the male lines, and women's lack of awareness of their legal rights, exacerbates the situation.
At A Glance: Ethnic Minority Women

- Vietnam has 54 ethnic groups. In the last Population and Housing Census in 1999, the Kinh majority accounted for 86 percent of the total population (GSO, 2001). Regions with a high proportion of ethnic minorities were the Northwest (79 percent), Northeast (41 percent), and Central Highlands (33 percent) (ADB 2005).

- Fifty-five percent of ethnic minority households are in the poorest quintile, compared to 12 percent of Kinh Chinese. Ninety-three percent of the ethnic minority households—compared to 71 percent of the Kinh/Chinese households—live in rural areas. (World Bank 2006).

- Ethnic minority household heads tend to be younger by an average of five years and less educated (19 percent compared to 5 percent have no schooling). Nearly twice as many work in agriculture self-employment (79 percent compared to 43 percent Kinh/Chinese). They are half as likely to be in wage employment (15 percent compared to 31 percent Kinh/Chinese). Fewer household heads are female (12 percent compared to 27 percent for Kinh/Chinese) and more families have children, especially young children. (World Bank, 2006).

Source: Vietnam Country Gender Assessment, December, 2006

At this stage in project preparation, the districts in which the Project activities will be implemented have not been determined. However, it is likely that the project activity may impact on ethnic minority populations. Although it is anticipated that ethnic minority people will benefit, particular attention may be need to ensure that ethnic minority people are able to participate fully in the planning and implementation of the Project. To ensure that this happens an Ethnic Minority Development Framework has been prepared to guide project implementation. In particular, it is anticipated that ethnic minority consideration will have to be taken into account in the development of LPZ.
4. THE NEED FOR AN ETHNIC MINORITY PLANNING FRAMEWORK

During the 5-year project life, activities will be implemented in 12 participating provinces (listed in Table 1) with more intensive project initiatives being undertaken in up to four participating districts in each province. Of those four, one or a cluster of districts will be developed as a model LPZ.

Ethnic Minority farmers will benefit from the Project, however, language differences, lower skills and greater poverty may impact on their ability to benefit in the same degree as the mainstream population. Therefore, special consideration may be needed to ensure that ethnic minority people fully participate in the design and implementation of biosecurity zones. The EMPF will ensure that ethnic minorities in the Project areas are identified, that their needs, concerns, and priorities are taken into account in design and implementation and, if required, that specific actions are built into the Project to ensure the full participation of ethnic minority people.

The Project does not envision negative impacts on ethnic minority people and anticipates that ethnic minority farmers will benefit directly from better extension and veterinary services, improved breeding and animal health practices and increased incomes from improved livestock productivity. More broadly, Ethnic people will also benefit from improved nutrition and food safety benefits of the Project.

However, there is a possibility that small scale livestock producers could be crowded out if, as production grows, market forces cause a shift towards larger-size production units. This could impact greatly on small ethnic minority livestock producers. However, scaling up of the livestock sector can be done through policies that have a useful and widespread impact on keeping smallholders involved with the livestock sector.

The Project’s focus on small and medium livestock producers is, therefore, a key feature of the Project’s positive social impact. More specifically, the projects proposed LPZs represent an enormous opportunity to help promote pro-poor vertical integration of small-scale livestock producers. The project will not only improve livestock production services to farmers (extension, veterinary medicines, training and technology) but will help provide an enabling environment for building relationships between different size producers and market entry points for small farmers. The project will help to harness the resources of the private sector, such as contract farming, and promote farmer associations to ensure that the scaling up of the livestock sector takes a form that is beneficial to small producers as well as the integrators. This is in line the Prime Minister issued Decision No. 80/2002/QD-TTg, which encourages enterprises in all economic sectors to have contracts with farmers in order to create a stable link between farming and processing and marketing activities.

Community consultation will play a key role in the development of LPZs. Community consultation will help identify how the Project can work with both small and medium scale producers to improve livestock nutrition, breeding, animal husbandry and waste management practices. The consultation process will bring local livestock producers together with all stakeholders including, policy makers, technical agencies, extension and veterinary service providers, private businesses to discuss and decide how the Project’s LPZ will be implemented. Consultation will be undertaken using participatory
and culturally sensitive approaches that will enable all stakeholders to be informed and participate in the planning and implement to support positive changes.

It is essential that ethnic minorities are well represented at biosecurity community consultation to ensure that they also benefit. However, language differences, lower skills and greater poverty may impact on their ability to participate in consultation and benefit in the same degree as the mainstream population. Therefore, special consideration may be needed to ensure that ethnic minority people fully participate in the design and implementation of LPZs.

The EMPF will ensure that ethnic minorities in the Project areas are identified, that their needs, concerns, and priorities are taken into account in design and implementation and, if required, that specific actions are built into the Project to ensure the full participation of ethnic minority people.

**4.1. STRATEGY FOR ETHNIC MINORITIES’ PARTICIPATION**

The Project’s strategy for encouraging participation of ethnic minorities is based on recognition of ethnic minorities’ particular social and cultural aspects that may require different mechanisms to that of Kinh, and that may limit or prevent ethnic minorities from participating and/or benefiting from the Project.

In view of this, implementation of the Project will require the following:

- Increasing involvement of ethnic minority beneficiaries as much as possible through identifying and determining their needs, concerns, and priorities and designing subprojects that take these into account;
- Consulting with ethnic minorities, and if so required for a subproject, fully involve them in the process of preparing an Ethnic Minority Development Plan (EMDP); and
- Ensuring that the negative impact on ethnic minority population will be minimized and mitigated.

Ethnic minority beneficiaries and affected communities will be provided opportunities to participate at various stages through the rolling project process. This includes:

- subproject identification and selection - participation in workshops to discuss issues and problems;
- subproject preparation - participation in meetings to refine the subproject (location, technical solutions, capturing local knowledge, initial identification of impacts and mitigation measures), and in meetings to further fine-tune the design (during detailed design stage); and,
- subproject implementation – participation in construction activities and supervision;
- subproject operation, maintenance and monitoring of subproject impacts.
5. PROJECT POLICY FRAMEWORK

In accordance with the Government of Vietnam’s policies on ethnic minorities and the World Bank’s policy on indigenous peoples, an ethnic minority policy framework is prepared for the LIFSAP to ensure that ethnic minorities can meaningfully participate in the project and receive culturally appropriate benefits from the project. This Policy Framework for Ethnic Minority will be approved by the Government of Vietnam to be applied in the LIFSAP to guide the subsequent preparation of the Ethnic Minority Development Plan(s).

The Development Plan will include the following main elements:

- extensive information dissemination and disclosure of project information;
- full participation of ethnic minorities in their own development will be instituted so that approaches will be culturally appropriate and local knowledge fully utilized;
- additional attention and targeting will be given to the poorest, remote and most vulnerable groups;
- where ethnic minority groups are in need of more facilitation assistance, beyond what is already provided by the local government, the Project will provide the services of community facilitators or experienced and interested non-government groups;
- partnership with other government agencies, donors and non-government organizations who have rich experience in the mountainous areas; and
- strengthening the capacity of local and indigenous institutions to generate and manage locally-adapted and culturally appropriate strategies and economic growth.

**Project principles for Ethnic Minority Development**

The basic ethnic minority development principles of the project are:

a) Ethnic minorities are encouraged to participate in all project activities and they will benefit from the project in a way which is culturally appropriate

b) Adverse impacts on ethnic minority communities, as distinct and vulnerable groups, should be avoided or minimized by exploring all viable options;

c) Preparation of EMDPs and their implementation is to be carried out with participation and consultation of ethnic minority people; and

d) Implementation schedule and budget for ethnic minority people development planning (including participatory mechanisms and surveys) and implementation must be incorporated into the overall project;

The project policy, in-keeping with the World Bank safeguard policy, requires that if the screening or social assessment determines that ethnic minority groups in the project area are likely to be affected/benefited by the proposed project, the EMDP addressing the specific ethnic minority groups, their concerns and needs, and the socio-economic issues that are significant need to be prepared.
For example, where subproject traverse areas with ethnic minority groups that have low levels of literacy, education and skill compared with the Kinh in the subproject area, an assessment must be undertaken to determine if and how this is likely to disadvantage them (due to disease or degradation of culture and traditions), or to carry out necessary actions in encouraging their involvement in the project so they could enjoy project benefits.

If there is any doubt as to whether the EMDP needs to be, a summary of information pertaining to the specific ethnic minority groups within each project province to be forwarded to the World Bank’s Social Development/Indigenous People’s Specialist for the project, for review and advice.

The type of information to be included in the summary as follows:

- Numbers and groups of ethnic minority people or households in the project province;
- The proportion of ethnic minority people or households of project province’s population;
- The key and defining cultural aspects of the ethnic minority groups in the project province and the degree to which they are integrated (or not) with the Kinh; and
- Main issues facing ethnic minority development in the project province
6. INSTITUTIONAL FRAMEWORK

**Project Coordination Unit (PCU)**

MARD through PCU at national level is responsible for the over-all planning, implementation, management and coordination of the project including ethnic minority development activities. PCU has assigned a group of staff to oversee LIFSAP implementation, some of whom are responsible for ethnic minority development activities.

PCU assisted by national social safeguards specialist, will assist, support and supervise PPMUs in the preparation, implementation and monitoring of all ethnic minority development plans. PCU will establish an internal monitoring and evaluation system through PPMUs and an external one through an independent supervising organization (preparation stage for LIFSAP ethnic minority development plans undertaken by the consultant in coordination with PPMUs as the above mention).

**Provincial Project Management Units**

PPMUs are required to assign at least one staff who shall be responsible for the preparation and implementation of the ethnic minority development plan.

The specific measures identified during consultation will dictate the nature and structure of organizations to be involved in the implementation of the EMDP. The EMDP should at least identify the types of agencies that could undertake the measures recommended in the plan, and hold initial consultations with those agencies to develop the measures at a level that can be accepted. The EMDP will set out the institutional arrangements required to implement each plan.

The main responsibility of PPMU ethnic minority specialists is to:

- Undertake the screening of all activities of each subproject and submit to PCU the list of activities requiring further EMDP work;
- Prepare the EMDP for each annual work program
- Implement and monitor the EMDP activities
- Coordinate with the provincial and district authorities as required to ensure implementation of EMDP activities
- Continue and maintain effective consultation with ethnic minority communities and
- Submit regular progress reports quarterly to PCU on the EMDP and related activities.

**Other agencies**

Consultation and cooperation with other relevant agencies should take place as necessary (eg. Women Union, Committee for Ethnic Minority and Mountainous Affairs, local organizations and bilateral agencies working on education and poverty reduction program in the area, etc).
7. PROCESS FOR ETHNIC MINORITY DEVELOPMENT PREPARATION

**Ethnic Minority Development Plan (EMDP)**

The development plan will consist of a number of activities to enhance the project benefits for ethnic minority communities or to assist them overcoming barriers or constraints to their enjoyment of benefits. These activities need to be financed and a detailed budget is included in the EMDP.

The EMDP will outline the characteristics of ethnic minority households and communities in the project province, identify the risks or constraints that need to be addressed, and provide the details (including costs, implementation arrangements and monitoring requirements) of the proposed measures. The EMDP will:

- Identify how the project will affect/benefit the ethnic minority people;
- Identify how they are disadvantaged or vulnerable because of their social or cultural identify and how the World Bank safeguard policy is triggered by this; and
- Develop a plan for addressing the disadvantages and vulnerabilities that the ethnic minorities face in order to fully benefit from the project activities (the interventions should be described in a way that will show how they meet the requirements of the World Bank policy).

The EMDP need to be a time-bound action plan that includes all of the financial and institutional arrangements required to implement the measures being recommended.

An EMDP should comprise of:

- Briefing of Law and Policy Framework ;
- The socio-economic characteristics of ethnic minority groups (based on SAs);
- Summarizing all activities toward to ethnic minority groups made by consultants ;
- Giving action plans to establish measures to (i) eliminate the negative impacts on ethnic minority groups and (ii) ensure that ethnic minority group will receive full socio-economic benefits ;
- Specifying the institutional responsibilities for implementation and specific solutions ; and
- Proposing the cost estimate and financial plans.
PPMUs will coordinate with the district respective agencies to monitor the preparation and implementation of EMDP. The new findings will be recorded in the quarter report to submit to PCU. PCU will summarize those reports to send to the WB every year.

**Public Disclosure**

Once the Government and the WB approves the draft documents, they will be disclosed publicly available.

(i) The approved Policy Framework to be made available in accessible places and in a form, manner and language understandable to all ethnic minority groups and stakeholders;

(ii) Placement of copies of the EMDP in Vietnamese, and any other ethnic minority language as required, in provincial, district and commune offices; and

(iii) Disclosure of the approved and endorsed EMDPs in places that are publicly available, including in the *Viet Nam Development Information Center* in Ha Noi.
8. COSTS AND BUDGET FOR EMDP ACTIVITIES

The sources or funding for the various activities will need to be determined during loan negotiation between WB and the Government (MARD/PCU). Depending on the structure of the loan, funding for some EMDP activities could be made available as a specified budget item from loan funds. Otherwise the financing of EMDP activities is expected to come from the Government counterpart funds. Following the loan agreement, each EMDP will be required to clearly specify and identify the sources of funding for each of the actions in the plan, along with any funding from alternative sources if required for any aspects of the activities.

Cost estimates provided in the plans must be as detailed as possible and linked with specific activities (i.e., costs for each specific intervention, administration costs). A 20% contingency should be included. The EMDP will include detailed costs of compensation and other rehabilitation entitlements (including restoration and enhancement measures and development assistance) for affected ethnic minority households over and above those measures included in the resettlement plan. The EMDP will focus on the costs involved in mitigating adverse cultural effects or removing any constraints to ethnic minority groups enjoying project benefits that have been identified through consultation.