

SOCIALIST REPUBLIC OF VIETNAM

**National Targeted Programs for New Rural Development
and Sustainable Poverty Reduction (NTP-NRD and NTP-SPR)**

**Environmental and Social
Systems Assessment**

(ESSA)

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PREPARED BY
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List of Acronyms

AH	Affected Households
CEMA	Committee for Ethnic Minority Affairs
CSRC	Compensation, Support, and Resettlement Committee
DARD	Department of Agriculture and Rural Development
DFAT	Australian Department of Foreign Affairs and Trade
DLI	Disbursement-Linked Indicator
DoET	Department of Education and Training
DoF	Department of Finance
DoNRE	Department of Natural Resources and Environment
DoST	Department of Culture, Sports and Tourism
DPC	District People's Committee
DPI	Department of Planning and Investment
ECOP	Environmental Code of Practice
EIA	Environmental Impact Assessment
EM	Ethnic Minorities
EPP	Environmental Protection Plans
ESSA	Environmental and Social Systems Assessment
GoV	Government of Vietnam
IDA	International Development Association
IEC	Information, Education and Communication
IVA	Independent Verification Agent
LEP	Law on Environmental Protection
M&E	Monitoring and Evaluation
MARD	Ministry of Agriculture and Rural Development
MoET	Ministry of Education and Training
MoF	Ministry of Finance
MoH	Ministry of Health
MOLISA	Ministry of Labor, Invalids and Social Affairs
MoNRE	Ministry of Natural Resources and Environment
MOST	Ministry of Culture, Sports and Tourism
MPI	Ministry of Planning and Investment
NRD	New Rural Development
NTP	National Target Program
PAP	Program Action Plan
PCR	Physical Cultural Resources
PDO	Project Detailed Outline
PforR	Program for Results
PMU	Program Management Unit
PPC	Provincial People's Committee
SAV	State Audit of Vietnam
SEA	Strategic Environmental Assessment
SO	Standing Office
SPR	Sustainable Poverty Reduction
USD	United States Dollar
VND	Vietnamese Dong

Executive Summary

Purpose of the ESSA

1. The purpose of this ESSA is to:
 - Assess the likely environmental and social risks associated with the program;
 - Document the environmental and social management procedures, standards and institutional responsibilities that will apply to the Program;
 - Evaluate the institutional capacity to manage the likely environmental and social effects in accordance with Vietnam's own requirements under the proposed Program;
 - Assess the consistency of the borrower's systems with core principles and attributes defined in the Program-for-Results (PforR) Guidance Note on Environmental and Social Assessment; and
 - Recommend specific actions for improving counterpart capacity during implementation to ensure consistency with World Bank principles.
2. Key findings of this assessment will be used to improve environmental and social management outcomes of the Program through specific actions under the overall Program Action Plan (PAP), as well as through technical assistance and capacity building activities to be implemented under the Program. The action plan will be discussed and agreed with the Government of Vietnam (GoV) and will be incorporated as relevant into legally binding agreements under the conditions of the new financing.
3. In preparing the assessment, the assessment teams have reviewed available document of the National Target Programs (NTP) for New Rural Development and the NTP for Sustainable Poverty Reduction, associated projects and programs and have met with all related Government Ministries and representatives from some of the targeted Program provinces.
4. The analysis in the ESSA has examined how the system addresses and performs in relation to the core principles of the WB policies on environment and social. Overall, on the environment front, the NTP program and general provisions at the Provincial and local level show that Vietnam has the needed principles and risk mitigation policies in place. In the context of this PforR, the primary gap lies in enforcing the restriction on activities in protected areas. On the social side, the primary inconsistencies with WB principles are in the area of land, labour and financial donation and adequate consultation, especially with women and ethnic minority groups. While there is an overall weak capacity on both environment and social side, the gap is wider on the latter as the mandate is not the responsibility of any specific local office, resulting in the issues not being adequately monitored. Moreover, while the environment risks do have policies in place, the social policies, (more so for the NRD than the SPR), are often not consistent with WB principles. The issue of land, labor and financial donation which is a key feature of the NRD is a major gap. However, it must be noted that NRD on principle discourages such donation in the poorer ethnic minority groups, although this is often ignored and has in the past resulted in these programs shying away from these poorer areas and prioritizing the better off communes. Another area that needs to be addressed is where people do not have land rights. For activities under the project boundary which will have verification, it is expected that such households will have compensation for the investments they have made on the land.
5. *Operation Manuals.* The Government Program does permit activities involving social and environment risks as identified in the ESSA. The procedures for screening will be integrated into the overall operation manual for both NTPs that will apply to the whole program and not just the PforR area. However, the activities under the PforR within the 18 provinces will be verified to ensure the use of the procedures in the operation manual. Yes there is a risk that activities in the 18 provinces not included in the PforR and any activity in the non-18 provinces may not follow these guidelines. However, a large part of the WB engagement in the PforR is to influence a change in the way of doing business and that includes the environment and social procedures. Hence incorporation of these procedures into the Government issued operational manual for both NTPs is a major step. Through the PforR there will be emphasis on demonstrating the benefit of these procedures in terms of activities under the PforR with the objective that local authorities will use the same systems for non PforR activities under the NTP in those provinces. The Bank will review the enhanced Operation Manual and

will need to ensure its technical rigor before Government finalize and clear it internally for formal adoption by October 2017.

6. These will be the official enhanced operations manual of the 2 NTPs issued by the implementing agencies of MARD and CEMA. Hence they are binding on the program. The sections that are specific to the PforR activities, such as the environment and social guidelines will be verified only in activities within the Program boundary but it is expected that the local authorities will over time incorporate these as a better way of doing business.

National Program for New Rural Development (NTP-NRD)

7. The New Rural Development Program (NTP-NRD) is designed to upgrade services and infrastructure for rural communities across all 63 Provinces of Vietnam. It encompasses 19 economic and social criteria that target poverty, education, health, transport, water supply, irrigation livelihoods, agricultural production, markets, culture, energy, environmental issues, communication and security. During the first phase of the NTP program (2011-2015), funding and implementation by many communes was directed primarily to achievement of infrastructure targets set for communes, districts and provinces; largely by way of roads, schools, health centers, and water supplies. Investments to raise incomes, productivity and value addition received less attention.

The National Targeted Program for Sustainable Poverty Reduction (NTP-SPR)

8. The Sustainable Poverty Reduction Program (NTP-SPR) supports infrastructure, livelihoods, basic services and capacity building for the country's 94 poorest districts and 310 communes in coastal areas. Through Program-135 (P135), it supports 2240 poorest communes and 33721 poorest villages in ethnic minority and mountainous areas.

PforR (the Program)

9. The PforR covers the 2016-2020 phase of NTP-NRD and NTP-SPR. The Program Development Objective is to improve the planning, delivery, and access of agricultural productivity investments and rural livelihoods under the National Targeted Programs for New Rural Development (NRD) and Program 135 of the National Target Program for Sustainable Poverty Reduction (SPR). The focus of the PforR is therefore primarily directed to assisting Government to improve the governance, processes, planning, implementation, monitoring and evaluation of the NTP- NRD and P135 programs.

10. The PforR operation will pursue the achievement of specific and measurable results associated with 8 of the 19 NTP-NRD criteria associated with investments designed to raise incomes and value added productivity through on-farm and off-farm activities (i.e. NTP-NRD Criteria No: 1-Planning and Implementation, 2-Transport, 3-Irrigation, 7-Rural Infrastructure for trading and commerce, 10-Income, 11-Poor Households, 12 – Rural Labor and 13-Production Organization). For the NTP-SPR, activities supported under P135 as those that support community-based small-scale infrastructure and rural livelihoods for improving agricultural productivity and rural household incomes, and increased capacity for ethnic minority leaders and commune officials. The Program would also cover recurrent expenditures on technical assistance and capacity building in the areas of planning, subproject design, implementation and monitoring and evaluation. The interventions covered through this PforR would be limited to those investments in NRD and P135 which support agriculture productivity related infrastructure, as well as other livelihood and enterprise subprojects encompassing on-, off- and non-farm activities.

¹ These are based on earlier documents. GoV has just issued a new set of criteria for P135 communes and villages to be effective on December 20, 2016 (Decision QD50/2016/QD-TTg, on November 3, 2016). New list of P135 communes is expected to be available at the end of March 2017.

11. The PforR would be implemented in 18 targeted Program provinces², with the view to developing and consolidating institutional reforms and new ways of doing business that could subsequently be “rolled-out” to other provinces under the NTP-NRD and SPR as experience is gained.

Institutional Arrangements and Capacity

12. The institutional arrangements are described below:

- The program is oversight by the Central Program Steering Committee (Central-PSC) chaired by the Deputy Prime Minister and with representatives from MPI, MOF, MOC the implementing Agencies (MARD, MOLISA and CEMA), as well as from other line ministries. The Central-PSC organization and functions are mirrored at Provincial, District and Commune level with Program Steering Committees. At provincial, district and commune levels, the PSCs are chaired by the Chairman of the Peoples Committee.
- MARD has been designated as the lead Implementing Agency for both the NTP-NRD and NTP-SPR and coordination with the other Implementing agencies including MOLISA and CEMA. The National Coordination Office (MARD-NCO) provide the Secretariat functions for the Central-PSC and be responsible for executing the various directions and decisions of the Central-PSC. The PforR would depend upon the MARD-NCO which has functioned throughout the first phase of the NTP-NRD. The MARD-NCO would have responsibility for day-to-day implementation of the NTP-NRD at the national level, and through the Departments of Agriculture and Rural Development (DARD) at the Provincial, District and Commune levels where staff are designated with NTP-NRD responsibilities.
- MOLISA is responsible for leading and coordinating with other ministries, agencies, and Peoples Councils in implementing the NTP-SPR. MOLISA is responsible for implementing several sub projects, scaling-up the poverty reduction models a monitoring and reporting on poverty reduction. CEMA through its P135 Coordinating Office, is however responsible for managing and guiding the implementation of sub-project within the P135 communes. At the Provincial level, the SPR is managed by the Department of Labour, War Invalids and Social Affairs and at the District and Commune level by the Division of Labor and Social Affairs.
- With regard to capacity to manage environment and social impacts it is the central and commune level agencies that matter. Overall, Vietnam has policies at the Provincial, District and commune level that are aimed at managing environment risk. However, the staff assigned to implement these guidelines and supervise their implementation are often poorly trained and may not see this as a priority task.
- With regard to social risk management, the risk is somewhat greater because unlike environment, the mandate for various aspects of social risk management (e.g. vulnerable groups, voluntary land donation etc.) is not with any one unit and spread amongst different implementing bodies at the local level.
- To better manage the weak capacity, and put in adequate checks, the Program Operation Manual will contain detailed procedures and guidelines for environmental screening and management. There will also be budget in the capacity building program to train staff responsible for environment and social management.

Environmental and Social Effects of the Program

Environmental Benefits and Risks

13. The investments under the proposed Program are expected to bring about many positive environmental impacts and to improve living conditions in target areas as a result of access to improved infrastructures and environmental services, as well as connectivity. The benefited communities would have safer and better access to basic infrastructure, their living conditions would be improved. Participatory planning approaches, embedded in this Program’s design, would also help to empower communities. The Program will also cover important improvements to implement environmental aspects of the government program.

² Cao Bang, Ha Giang, Lao Cai, Bac Kan, Dien Bien, Lai Chau, Ha Tinh, Quang Binh, Quang Tri, Thua Thien-Hue, Ninh Thuan, Quang Ngai, Binh Thuan, Binh Dinh, Dak Lak, Kon Tum, Tra Vinh and Soc Trang.

14. Typical investments would include small scale infrastructure such as: village- level farm-to-market-roads, small bridges (fixed and suspension), foot paths and pathways, small-scale gravity, pump and drip irrigation, shallow wells, small water impounding, village-level, small-scale fish landings, village-level small jetties, postharvest facilities (drying floors, small storage sheds, market facilities), plant nurseries, seed production facilities, tree planting, composting/organic fertilizer production, livestock breeding and distribution facilities, milking facilities, small-scale commodity processing equipment for village –level processing, etc. For rural livelihood activities, this would cover on-, off- and non-farm activities related to crop production, egg/chicken production, pig fattening, milk production, aquaculture, coffee, coconut and vegetable oil processing, rubber processing, broom and basket making, weaving, handicraft production, fruit and nut packaging and preservation, village level juice processing, product hauling & consolidation, marketing, and small scale processing of agricultural products, etc.

15. The anticipated adverse environmental effects of the investments provided under this Program are not expected to be significant considering: (a) the small scale and relative scatter of physical investments; (b) that the proposed works would take place in or very close to established villages; (c) the limited geographic footprint of planned works; and (d) that mitigation measures are known, including principally that proper care and oversight is undertaken during construction, production activities to improve livelihood, or cultivation.

16. Potential adverse environmental effects of Program activities include: (a) construction related impacts such as dust, noise, generation of solid waste/construction waste or small quantity of dredged materials , loss of vegetation cover , increased erosion risks at walls/slopes created, social disturbance due to construction activities and transportation of materials and wastes, and safety risks to the public and workers; and (b) pollution risks related to usage and disposal of agrochemicals (pesticide and fertilizer) and packaging materials; c) generation of waste, wastewater and by-products during the operation and post-harvest related to production support (cultivation, animal raising, crops, etc.). The potential adverse effects are generally at moderate level, well known and understood by the implementing authorities. It is expected that these effects will be manageable with well-established mitigation measures introduced into this program in the form of ECOP (Environmental Codes of Practices). For production support activities, the potential impacts and risks would be manageable by the measures being applied in agricultural practices in the country since early 1990s such as IPM, VietGAP (Vietnamese Good Agricultural Practices) or “three reduction, three increases” movement facilitated by existing agricultural institutions and associations.

17. There are a number of protected areas in the country such as national parks, nature reserves, conservation areas, historical sites with communities living within. These areas are normally very important in terms of ecological balance and biodiversity, and are environmentally sensitive. Interventions, if any, in to such areas may lead to potential significant adverse environmental impacts. The Government has policies and guidelines to protect these areas, although these are not always adhered to. The environmental guidelines in the enhanced manuals for the Program will restrict work in protected areas and as a result, no significant impacts to these critical natural habitats or cultural resource assets are expected. The geographic footprint, scale, and volume of facilities constructed under the Program will be small and therefore any adverse impacts are expected to be limited, localized and mitigatable. These potential adverse impacts would be mitigated further or minimized by the known mitigation measures.

18. The Government Program permits activities related to the production, processing, marketing of beverage, alcohol, drugs, tobacco; the works primarily serving the army and defense forces. These activities will be screened as per the environmental procedures in the enhanced manuals.

19. The Law on Environmental Protection was revised in 2014. Environmental management is also supported by related laws such as the Labor Law, The Workplace Health and Safety Law, the Aquaculture and Fishery Law, the Plant Protection and Quarantine Law, the Animal Health Care Law etc. Decree 18/2015/ND-CP and Circular 27/2014/TT-BTNMT (guiding the implementation of the Environmental Law) requires Environmental Impact Assessment (EIA) or Environmental Protection Plans (EPP) be prepared for investment projects. While it is not likely that any of the NTP activities will be required to prepare full EIAs as physical investments will be mostly community-based, EPP would be required. The physical investments will be mostly

small scale, community-based with limited potential impacts and risks. However, a common problem is the ineffective implementation of EPP requirements due to lack of awareness, institutional capacity and resources.

20. The preparation and implementation of commune-level investments has been and would continue be decentralized to district and commune levels. However, local level environmental management capacity is limited due to constrained resources availability. Therefore, while the impacts and risks are limited, environmental performance of small civil works have been dependent on the limited capacity and environmental awareness of project owner and implementers. Good environmental guidelines, community monitoring and participation would be needed to enhance environmental performance of small investments under the PforR.

21. Related to production support under the PforR, the related environmental impacts and food security would be managed by the existing management system and network set up by the Government at central, provincial, district and commune levels such as the Plant Protection, Agricultural Extension, Natural Resources and Environment, in coordination with mass organization such as Farmers Association, and support from external sources. While the production activities will have implications on the environment e.g. the expansion of agricultural areas (including potentially into natural habitats), increased water use through new or expanded irrigation, increased use of pesticides, health/nutrition impacts of displacement of subsistence crops with cash crops, exploitation of living natural resources, and pollution, the scale of the production activities is very small and often limited to household level activities. Moreover, the extension programs do involve community education and take into account issues like impacts of subsistence versus cash crop. Thus such activities would have in place appropriate educational programs and checks to ensure that negative impacts are addressed,

22. Number of sectoral guidelines with environmental aspects incorporated has been issued by rural sectoral management authorities such as MARD and MOLISA. However, program handbooks prepared during the previous phase of NTP and SPR have not incorporated adequately environmental guidelines thus the incorporation of environmental considerations into program implementation have been limited.

23. The enhanced operational manuals issued by both NTPs will have detailed screening criteria to mitigate negative environmental impacts and promote positive environmental outcomes. These procedures will help screen out the negative investments listed above such as in protected areas or those supporting alcohol and tobacco. These activities are currently permitted in the NTPs. It is expected that these manuals will encourage a systems change in the NTPs to adopt better practices and thereby bring about a positive change in the NTP implementation system. For the purposes of the PforR program, only activities that pass the screening will be included in the verification sample.

Environmental Recommendations

24. **Recommendation 1:** The enhanced manuals developed for this phase of the NTPs will detail environmental guidelines outlining the required screening and management procedures to enable program implementers at local level to mitigate against these risks. The implementation of the guidelines and procedures in the manuals will be monitored through WB supervision and the validation protocol of the PforR. The manuals will be issued by Government for both NTPs. Investments would be screened to exclude the following: (i) locations within protected areas such as national parks, nature reserve, biological conservation areas, cultural-historical sites etc. listed in MONRE Decision no. 1107/2015/BTNMT; (ii) Activities that support the production, processing, marketing of beverage, alcohol, drugs, tobacco; the works primarily serving the army and defense forces. Only activities that are eligible will be included in the verification sample of the PforR. Screening form for eligibility has been developed and attached to Annex 5 of this ESSA and will be filled in by the program implementing agency at provincial level.

25. **Recommendation 2:** Program Manuals incorporate adequately environmental guidelines. For infrastructure, the procedures to be followed from planning to implementation should be described. For production support, the options/approach to be considered and/or implemented as part of investment process should be included.

26. **Recommendation 3.** Promote community participation into subproject planning, implementation, monitoring, supervision, maintenance to enhance sustainability of the works.

27. **Recommendation 4.** Training and technical assistance on the application of program environmental requirements and procedures (specified in OM) should be provided to program implementers. Adequate human resource should be allocated to monitor and report on the implementation of the measures to avoid, mitigate the potential environmental impacts and risks during program implementation (e.g. screening for environmental eligibility, incorporation of ECOP into bidding/contractual documents, incorporation of pollution control in production support activities, etc.). The implementation of such avoidance, mitigation measures must be reflected in relevant sections of the Program Progress Report. An environmental consultant could be contracted at central level to provide the training, technical assistance and environmental monitoring in the Program. The central and provincial level implementing agencies should each allocate at least one staff to oversee and be responsible for environmental aspect of the program and both central level.

Social Benefits and Risks

28. The Program would have significant positive impacts on the socio-economic development in the program areas, including its contribution to poverty reduction, income generation and accessibility to better productive related (commercial and productive) infrastructure. In terms of negative impacts/risks, the overall rating is *moderate*, taking into account a number of aspects such as land acquisition impact, cash/labor donation of beneficiaries, the consultation/participation process of local people (notably ethnic minority people in the program area), and the program's institutional arrangements.

29. *First*, since the program will only cover productive/commercial (for NTP-NRD) and small basic (for P135/NTP-SPR) infrastructure, the magnitude of land acquisition impact is expected to be minor. The percent of the acquired area is rarely more than 10% of the household's total land holdings. However, the arrangement for land acquisition/compensation is different in NRD and SPR. By default, all land affected in a NRD investment is supposed to be donated by local people (no budget for compensation), while under SPR, compensation fund might be allocated for land acquisition activities. Although local authorities always classify land donation for NRD investment as *voluntary*, it is very easy to turn into *involuntary donation* as affected households are subject to peer pressure from other community members.

30. *Second*, the Program execution (especially NRD) also involves and encourages contribution from local people in terms of cash/labor donation. Although the contribution of local people has been institutionalized with regard to its limits, in a number of governmental regulations, in many cases, local authorities disregard the limit too much (especially in communes in the last miles of achieving all 19 criteria of NRD), causing additional burden of local people in NRD implementation. The 2 NTPs have different approaches to land, labour and financial contribution. While the NRD traditionally assumes that communities much donate land, labor and capital for the community projects, the SPR relies on this to a far lesser extent and has provision for payment of compensation. This difference is because the SPR is recognized as targeting the poorest ethnic minority groups. Even in the NRD, the principles discourage land, labour and financial donation from vulnerable and ethnic minority groups. This is why the NRD has in the past, tended to be implemented primarily in better off communes and districts.

31. *Third*, there are differences in the country and program systems and those supported by WB OP 4.12. One areas that needs to be addressed is where people do not have land rights. For activities under the project boundary which will have verification, it is expected that such households will have compensation for the investments they have made on the land.

32. *Fourth*, it is noted that the enforcement of provisions related to people's participation throughout the program cycle is relatively weak, although the related regulations are relatively well structured. This aspect becomes more important as the program will be implemented in the targeted provinces with substantial presence of ethnic minority (EM) communities. There are a number of factors hindering the citizen's effective participation which mainly include (i) limited fluency in Vietnamese among EMs, and insufficient bilingual support; (ii) insufficient information provided for planning and budgeting processes; (iii) limited capacity for

sound participatory planning and budgeting, and lack of cultural sensitiveness among local government; and (iv) lack of technical knowledge with regard to supervision and monitoring of infrastructure work of the local people.

33. *Finally*, NTP-NRD and NTP-SPR have different institutional arrangements in which social impacts/risks are not properly tracked, recorded and reported. Land donation is frequently done on a verbal agreement basis with no written and signed documents. No staff time is allocated in both NRD and SPR to oversee the programs' social aspects. This compromises and weakens the program's achievement in the area of social development agenda in general and in reflecting/capturing the social impacts in program reports in particular.

Social Management System

34. *First*, on the resettlement side, the land acquisition, compensation payment and resettlement implementation are always the responsibility of the Government, particularly at the provincial and district levels. The activities are conducted in accordance with the Government's regulations (e.g., planning, disclosing, approving or paying compensation). In this program, in current practice, land is acquired through a donation process, with the commune people's committee playing an important role in communication, consultation and facilitation to mobilize land donation from affected households. This requirement for contribution of land, coupled with the common practice requiring contribution of labor and finance from communities, is recognized as a risk, especially in the NRD program. This risk cuts across all communities, but is enhanced in the context of poorer ethnic minority communities. In the cases where compensation funds are available (e.g. some investments under P135/SPR), CPC and DPC will play a key role in developing/approving compensation plans and making payments to affected households.

35. *Second*, in the context of the large presence of ethnic minorities impacted by the NTPs, Vietnam has a legal framework that guides Ethnic Minority affairs. At the constitutional level, article 5 of the 2013 Constitution confirms: (a) the equality of all Ethnicities living in the territory of Vietnam; (b) prohibition against discriminated behaviors; (c) rights of Ethnic Minority people toward their languages, scripts, traditional culture and custom; and (d) comprehensive policies of Vietnam to enable the development of Ethnic Minority areas. The principles when promulgating Ethnic Minority policies are: (a) equality and solidarity among all Ethnic Minorities; and (b) mutual support for progress. At lower level, decree No. 05/2011/ND-CP dated January 14, 2011 on Ethnic Minority affairs is the highest legal document. The Prime Minister has also approved the project "Cultural Preservation and Development of Ethnic Minorities in Vietnam toward 2020" with an estimated budget of 1.512 billion VND;³ and the Ethnic Minority strategy up to 2020⁴.

36. *Third*, on the legal requirements for public consultation/disclosure, Vietnam has relatively good legal framework on access to information and disclosure. These rights of citizen have been reflected in the 2013 Constitution as well as in specialized Laws and its associated guiding decrees. The program, especially NTP-SPR has some specific provisions that allow program activities to be tailored in accordance with geographical and cultural characteristics of benefited communities. The attention to vulnerable groups, especially women, is also emphasized in the program design.

37. *Fourth*, on the participation of local communities (notably ethnic minority people), the assessment confirmed that these two programs have a strong focus on and directly target ethnic minority people on several counts. However, while these two programs strongly focus on the question of "what" (to finance) in EM regions, they are very thin on the question of "how" (to adapt procedures to these groups), especially how to make sure that all program activities are culturally appropriate. Participation of EMs in decision-making processes remains limited (UNDP, 2006; WB 2009, 2012; MDRI 2014). Experience in other governmental funded programs have consistently indicated that "top-down" decisions and "one size fits all" solutions are not appropriate for EMs and limit the impact of existing programs.

38. The enhanced manuals issued by both NTPs will have detailed screening criteria to mitigate negative social impacts and promote positive outcomes. These procedures will include the Guidelines on Voluntary Land Donation as well as the procedures for consultation, grievance channels and specific guidelines regarding

³ For more detail, refer to decision No. 1270/QD-TTg dated on July 27 2011.

⁴ For more detail, refer to decision No. 449/QD-TTg date on March 12, 2013

engaging with ethnic minority groups. Currently, the NTP programs permit practices such as with land donation and weak consultation that can have negative social outcomes. It is expected that the improved provisions in these manuals will encourage the NTPs to adopt better practices and thereby bring about a positive change in the NTP implementation system. For the purposes of the PforR program, only activities that pass the screening will be included in the verification sample.

39. Engagement of Civil Society is a change that this program design will influence. Since the NTPs are Government programs there is limited appetite for inclusion of these institutions in the formal institutional structure of the programs in Vietnam. This is consistent across all Government programs in Vietnam. However, the design of the PforR has put a high premium with coordinating and leveraging donor programs in the Provinces. The selection of Provinces had the presence of complimentary donor programs as one of the main criteria. These donor programs have high involvement of civil society. The main donor overlap is with IFAD, Irish Aid, OXFAM, and CARE. The Australia Bank-executed TF supported value chain activity will also engage civil society groups working in the selected districts and communes. Also note that the refined design of P135 allows for use of civil society organizations to support the livelihood and capacity building sub components of the Program.

Social Recommendations

40. **Recommendation 1:** The enhanced manuals developed for this phase of the NTPs will detail the social guidelines outlining the required screening and management procedures to enable program implementers at local level to mitigate against these risks. The implementation of the guidelines and procedures in the manuals will be monitored through WB supervision and the validation protocol of the PforR. The manuals will be issued by Government for both NTPs. Activities will be screened for land acquisition procedures, with emphasis on following the Voluntary Land Donation guidelines. Only activities that are eligible will be included in the verification sample of the PforR.

41. **Recommendation 2:** Social screening must be conducted prior to actual investment in sub-projects to maximize project benefits and minimize adverse impact to local communities especially on land acquisition. The screening process will be detailed in the enhanced manuals. It needs to be closely followed and the results properly documented and included in the relevant section of the investment proposal.

42. **Recommendation 3:** Land acquisition must be minimized. However, if land acquisition is unavoidable, it is necessary to ensure that people affected by loss of land and assets will be compensated so that they are no worse off than before that loss. Investments that cause physical relocation should be restricted to only those limited cases that are necessary for the Program's investment. The provision in 2013 Land Law on using independent land appraiser must be followed and its implementation documented and monitored through the Programs M&E system in the targeted Program provinces.

43. **Recommendation 4:** Within the enhanced operations manual, there would be land acquisition procedures, with emphasis on following the Voluntary Land Donation guidelines. The Government will issue a "Voluntary Land Donation Guideline" for adoption by the targeted Program provinces that would provide for "Voluntary Donation" to be used for NTP small-scale community infrastructure where the impacts are minor and where there are no alternative options for the location of the infrastructure subprojects. Only activities which are eligible will be included in the verification sample of the PforR. Implementing agencies must ensure that the donation decision will be made based on the informed consent of affected households and of their own choice. Voluntary land donation guidelines are being developed at the program level and will be adopted by the targeted Program provinces to guide the application of this practice in the Program activities. The guidelines will ensure that these contributions are not forced and where voluntary, are based on good consultation and monitoring. These guidelines will be included in the enhanced operations manual for the NTPs and monitored through WB supervision and the verification protocols for this operation.

44. **Recommendation 5:** Develop and implement the community/citizen engagement guidelines to enhance people's participation and consultation processes, especially for Ethnic Minorities and other vulnerable groups such as female-headed households, disabled, etc. The guideline will first ensure

that local people are fully informed about the program benefits/risks, mitigation measures and the various arrangements (e.g. complaint registering, land donation etc). Second, the guideline will also enable their meaningful participation and consultation in every step of the Program implementation (including planning, design and implementation, compensation, resettlement and rehabilitation measures in land acquisition) and their equal access to program information/benefits. The guideline will be community-driven, transparent, gender sensitive and in appropriate language. Given that the program will be implemented over a large geographic area with many different ethnic groups, specific guidance will be provided at the local level for each ethnic group. In addition, the guidelines shall fully operationalize existing Vietnamese Legislation with respect to Ethnic Minorities through a process of free, prior, and informed consultations.

45. **Recommendation 6:** To the extent possible, efforts must be made to ensure that program interventions are culturally appropriate. This is very important given the diversification of ethnic groups living in the Program areas. Where relevant, it is necessary to deliver a training to contractors working in the area having a high presence of EM peoples. The Program should encourage the following social development measures: (a) ensuring unskilled (and to the extent feasible, skilled) labor is sourced locally; (b) mobilization of community (especially women and other vulnerable groups such as female headed households, disabled etc) in maintenance activities or community based supervision. The Women's Union and other relevant grass root organizations (CBOs, NGOs, pagoda, church etc.) should be incorporated into the institutional structure of implementation to assist in promoting gender-sensitive community mobilization, participation and grievance redress channels.

46. **Recommendation 7:** Arrange adequate staff time to ensure that social-related issues (land acquisition, land donation, gender mainstreaming, EM participation, community complaints/feedback) will be properly tracked, monitored and reflected in the relevant program report for documentation and tracking. In addition, a database on the program's beneficiaries, disaggregated by gender and ethnicity should be maintained and monitored. Capacity building program is being developed with a number of activities targeting to strengthen the capacity of implementing agencies in managing social and environmental risks.

Program Action Plans

- The Government will issue a "Voluntary Land Donation Guideline" for adoption by the targeted Program provinces that would provide for "Voluntary Donation" to be used for NTP small-scale community infrastructure where the impacts are minor and where there are no alternative options for the location of the infrastructure subprojects.
- In conjunction with the enhanced operations manual, and in conformity with Vietnamese Legislation, community/citizen, gender-sensitive guidelines will be issued, both in a language and format understood and accessible to beneficiaries, taking account of language requirements, especially for ethnic minorities.

Consultation

47. There have been two rounds of consultation carried out on the ESSA and the enhanced operations manual. The first ESSA consultation, which was conducted on February 17, 2017 was well-participated by representatives from the 18 targeted Program provinces including top leaders of the People's Committee, Department of Agriculture and Rural Development (DARD), Department of Labor, Invalids and Social Affairs (DOLISA), Provincial Department of Ethnic Minorities, along with ministries including MOF, MOLISA, CEMA, and MARD. Among others, participants showed their greatest attention on the issue of land acquisition in NTPs activities and the application of ESSA recommendations with regard to land donation and people's contribution. In general, participants hesitate to apply compensation to land affected by NTPs activities, given land donation practice has been widely applied in these two programs, especially under NTP NRD. The aim was to get consensus on the principles of the ESSA and to

validate the proposed screening and monitoring procedures. The second round of consultation was done during appraisal (March 27-31, 2017), in two locations in the field and targeted the district and commune staff from participating provinces (in Dak Lak in the Central Highlands and in Tra Vinh in the South). The aim was to ground-truth the proposed screening and management procedures and systems that will be incorporated into the enhanced manual.

Environmental and Social Risk Ratings

48. Given the scope of the Program, its types and scale of investment, geographic focus, and previous experience with World Bank projects of the central Government, the risk rating is *moderate* from the environmental and social perspectives.

Program Description

The National Targeted Program for New Rural Development (NTP-NRD)

1. The New Rural Development Program (NTP-NRD) is designed to upgrade services and infrastructure for rural communities across all 63 Provinces of Vietnam. It encompasses all 19 economic and social criteria of the former NTPs that target poverty, education, health, transport, water supply, irrigation livelihoods, agricultural production, markets, culture, energy, environmental issues, communication and security.
2. During the first phase of the NTP program (2011-2015), funding and implementation by many communes was directed primarily to achievement of infrastructure targets set for communes, districts and provinces; largely by way of roads, schools, health centers, and water supplies. Investments to raise incomes, productivity and value addition received less attention.
3. Achievement of the preset 19 NTP economic and social criteria qualifies communes, districts and provinces for recognition as having attained “National Rural Development (NRD) status”; During the first phase NTP-NRD, and especially where donor supported projects have been undertaken, there have been some gains, particularly in terms of infrastructure and enhanced local level planning. However, there has been little institutionalization of improved processes and approaches, and limited sustainability after completion of projects; a concern that has been compounded by inadequate budget provision for Operation and Maintenance (O&M), especially at commune level.

The National Targeted Program for Sustainable Poverty Reduction (NTP-SPR)

4. The Sustainable Poverty Reduction Program (NTP-SPR) supports infrastructure, livelihoods, basic services and capacity building for the country’s 94 poorest districts and 310 communes in coastal areas. Through Program-135 (P135) it supports 2,240 poorest communes and 33,725 poorest villages in ethnic minority and mountainous areas. It was based initially on the Prime Minister’s Decision 20/2007/QĐ-TTĐ of 2006, which aimed to reduce the level of rural poverty between 2005 and 2010, by 50 percent.
5. The program evolved into the NTP-SPR for the period 2011-2015. However, as previously noted, high levels of poverty remain pervasive among Vietnam’s large ethnic minority population, and while there have been many policies and programs specifically designed to assist people living in remote and disadvantaged areas, there has been a lack of coherence in such policies and in implementation mechanisms. In particular, planning and investment prioritization needs to be strengthened to take account of ethnic and cultural diversity, as well as indigenous circumstances and local needs of the people. Even when provided with assistance, the risks for these vulnerable groups of falling back into poverty are high, due to such factors as non-sustainability of livelihood activities, impacts of climate change, natural disasters, epidemics, and unemployment. NTP SPR consists of several sub-programs, including Program 30A (targeted to poorest districts); Program 135 (targeted to extremely difficult communes, border communes and extremely difficult villages); Program on production and livelihood diversification support (for commune outside P30A and P135); Communication program; and capacity building and M&E program.

The PforR (the Program)

6. The PforR supports the next phase (2016-2020) of STP-NRD and NTP-SPR. The program development objective is to improve the planning, delivery, and access of agricultural productivity investments and rural livelihoods under the National Targeted Programs for New Rural Development (NRD) and Program 135 of the

⁵ These are based on earlier documents. GoV has just issued a new set of criteria for P135 communes and villages to be effective on December 20, 2016 (Decision QĐ50/2016/QĐ-TTĐ, on November 3, 2016). New list of P135 communes is expected to be available at the end of March 2017.

National Target Program for Sustainable Poverty Reduction (SPR). The focus of the PforR is therefore primarily directed to assisting Government to improve the governance, processes, planning, implementation, monitoring and evaluation of the NTP- NRD and P135 programs. Through efficiency gains, and an increased focus on investments supporting rural incomes, the PforR would address key issues that have constrained the impact of these programs in realizing their development objectives of poverty reduction.

7. The PforR operation will support the achievement of specific and measurable results linked with 8 of the 19 NTP-NRD criteria which relate to investments designed to raise incomes and value added productivity through on-, off-, and non-farm activities (i.e. NTP-NRD Criteria No: 1-Planning and Implementation, 2-Transport, 3-Irrigation, 7-Rural Infrastructure for trading and commerce, 10-Income, 11-Poor Households, 12 – Rural Labor and 13-Production Organization)⁶. For the NTP-SPR, activities would be supported under P135 that relate to support for community-based small-scale infrastructure and on-, off- and non-farm rural livelihoods for improving agricultural productivity and rural household incomes, as well as support to increased capacity for ethnic minority leaders and commune officials. The Program would also support recurrent expenditures on technical assistance and capacity building in the areas of planning, subproject design, implementation and monitoring and evaluation. The interventions to be supported would be limited to those investments which support agriculture⁷ productivity related infrastructure, as well as other livelihood and enterprise subprojects encompassing on-, off- and non-farm activities.

8. Typical investments would include small scale infrastructure for enhancing agricultural productivity and value added such as: village- level farm-to-market-roads, small bridges (fixed and suspension), foot paths and pathways, small-scale gravity, pump and drip irrigation, shallow wells, small water impounding, small embankments to prevent sea water intrusion, village-level, small-scale fish landings, village-level small jetties, postharvest facilities (drying floors, small storage sheds, market facilities), plant nurseries, seed production facilities, tree planting, composting/organic fertilizer production, livestock breeding and distribution facilities, milking facilities, small-scale commodity processing equipment for village –level processing, etc. For rural livelihood activities, this would cover on-, off- and non-farm activities related to crop production, egg/chicken production, pig fattening, milk production, aquaculture, coffee, coconut and vegetable oil processing, rubber processing, broom and basket making, weaving, handicraft production, fruit and nut packaging and preservation, village level juice processing, product hauling & consolidation, marketing, small scale processing of agricultural products, etc.

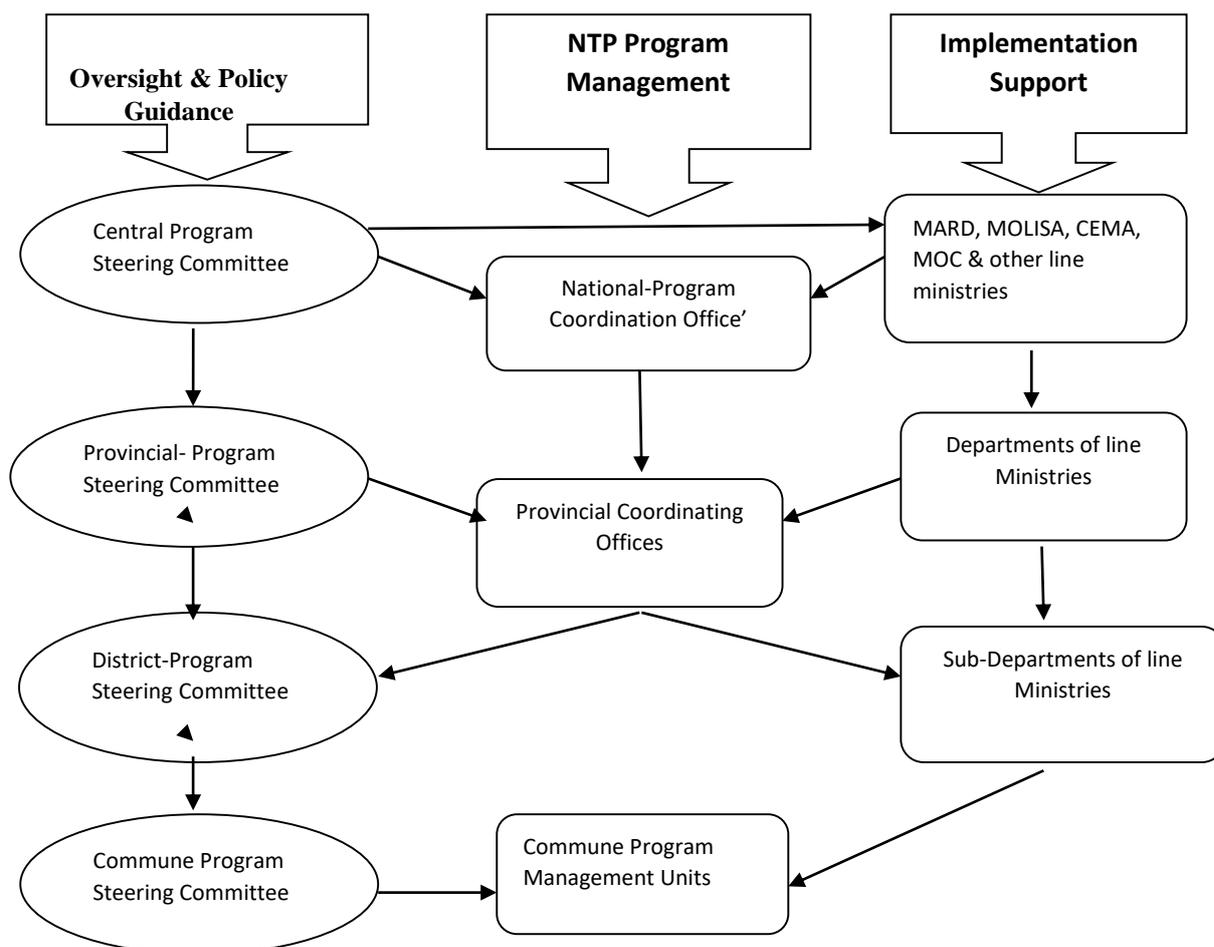
9. The PforR will be implemented in 18 provinces viz. Cao Bang, Ha Giang, Lao Cai, Bac Kan (Northeastern region), Dien Bien, Lai Chau (northwestern region), Quang Binh, Quang Tri, Ha Tinh, Thua Thien-Hue (Northcentral Region), Ninh Thuan, Binh Thuan (Southern central Coastal Region), Quang Ngai, Binh Dinh(south central coast), Dak Lak, Kon Tum (Central Highland), Tra Vinh and Soc Trang (Mekong Delta)

Institutional Arrangements

10. Oversight of both the NTP-NRD and NTP-SPR will be through a Central Program Steering Committee (Central-PSC) chaired by the Deputy Prime Minister and with representatives from MPI, MOF, MOC the implementing Agencies (MARD, MOLISA and CEMA), as well as from other line ministries. The Central-PSC organization and functions are mirrored at Provincial, District and Commune level with Program Steering Committees Steering Committees. At provincial, district and commune levels, the PSCs are chaired by the Chairman of the Peoples Committee.

⁶ Prime Minister Decision 1980/QD-TTg, 17 October, 2016.

⁷ Agriculture in the Vietnamese context includes agriculture, fishery and livestock

Figure 1: NTP-NRD & SPR Oversight, Management and Implementation Framework

11. MARD has been designated as the Lead Implementing Agency for both the NTP-NRD and NTP-SPR and coordination with the other implementing agencies (MOLISA and CEMA). Directions as to how the NTP-NRD is to be implemented are detailed in Prime Minister Decision No. 1600/ QD-TTg which approved the NTP-NRD. The National Coordination Office (MARD-NCO) would provide the Secretariat functions for the Central-PSC and be responsible for executing the various directions and decisions of the Central-PSC. The MARD-NCO is hosted by MARD, although the budget for the NTP-NRD is separate from that of MARD. The PforR would not establish any Project Management Unit, but rather would depend upon the MARD-NCO which has operated throughout the first phase of the NTP-NRD. The MARD-NCO would have responsibility for day-to-day implementation of the NTP-NRD at the national level, and through the Departments of Agriculture and Rural Development (DARDs) at the Provincial, District and Commune levels where staff are designated with NTP-NRD responsibilities..

12. MOLISA is responsible for leading and coordinating with other ministries, agencies, and Peoples Councils in implementing the NTP-SPR. Directions as to how the NTP-SPR is to be implemented are detailed in Prime Minister Decision No 1722/QD-TTg which approved the NTP-SPR. In accordance with that directive, MOLISA is responsible for implementing several sub-projects, scaling-up the poverty reduction models, and monitoring and reporting on poverty reduction. CEMA through its P135 Coordinating Office, is responsible for managing and guiding the implementation of sub-projects within the P135 communes. At the Provincial level, the SPR is managed by the Department of Livelihoods, Invalids and Social Affairs and at the District and Commune level by the Division of Labor and Social Affairs.

Financing and Program costs

13. The estimated funding envelop for the NTP over five years (2016 – 2020) is an estimated US\$ 8.8 billion for NRD and US\$2.2 billion for SPR. Expenditures under the NTPs within the boundaries set for this PforR amount to an estimated US\$ 153 million. The proposed IBRD/IDA credit of US\$153 million would therefore contribute to less than 2% of the estimated funding envelope for the NTPs.

Purpose of Environmental and Social Systems Assessment (ESSA)

14. The purpose of the ESSA is to:

- a) Assess the likely environmental and social risks associated with the program;
- b) Document the environmental and social management procedures, standards and institutional responsibilities that will apply to the Program;
- c) Evaluate the institutional capacity to manage the likely environmental and social effects in accordance with Vietnam's own requirements under the proposed Program;
- d) Assess the consistency of the borrower's systems with core principles and attributes defined in the Program-for-Results (PforR) Guidance Note on Environmental and Social Assessment; and
- e) Recommend specific actions for improving counterpart capacity during implementation to ensure consistency with World Bank principles.

15. Key findings of this assessment will be used to improve environmental and social management outcomes of the Program through specific actions under the overall Program Action Plan (PAP), as well as through technical assistance and capacity building activities to be implemented under the Program. The action plan will be discussed and agreed with the GoV and will be incorporated as relevant into legally binding agreements under the conditions of the new financing.

16. The ESSA was prepared in collaboration with relevant officials and technical staff members of GoV implementing agencies. The methodology included:

- a) a desk review of current related environmental and social legislations and regulations;
- b) a desk review of relevant program reports prepared at/for commune, district, provincial and central levels;
- c) review of documents available on the official websites of the provinces about NRD, SPR, environmental status etc.;
- d) a consultation workshop on the implementation of environmental and social management within the NTP-NRD and NTP-SPR; and
- e) a number of field visits to two provinces, and interviews/discussions with relevant central and provincial representatives.

17. The first consultations with relevant stakeholders on the ESSA was conducted in Hanoi on 17 February 2017 with 49 participants from 18 provinces. The second consultations was held in 5 communes in Dak Lak and Soc Trang provinces, on March 27-31, 2017. Details about the consultations are given in Annex 1.

Context

18. **Poverty in Vietnam's rural areas declined from 27% in 2010 to 18.6% in 2014 (WB-GSO estimates), but it is nearly five times higher than in urban areas (3.8%). More than 90% of the poor reside in rural areas and the Midland and Northern Mountain provinces account for 36 percent of the poor. Poverty is also increasingly becoming an ethnic minorities' issue.** As of 2014, more than half of ethnic minorities lived in poverty. Ethnic minorities make up 14 percent of the population yet they constitute 60 percent of the poor. Their welfare has significantly improved over time but the gap in the incidence of poverty between ethnic minorities and the rest has actually widened. It is now 19 percentage points higher than in 1993, signaling that a disproportionate share of benefits of growth flowed to the ethnic majority. Without targeted interventions, these gaps are expected to increase, to the point where ethnic minorities could constitute 80 percent of the poor by 2020 (World Bank 2016).

19. **Vietnam is also confronting a need for agricultural transformation. Sector competitiveness is declining in the face growing domestic competition-from cities, industry, and services-for labor, land, and water.** Future growth must depend upon increased efficiency and innovation. Change is also needed in the structural patterns of production and supply-chain organization. These are highly fragmented, with limited collective action at farmer level and weak vertical linkages. This problem has contributed to unnecessary transaction costs, unrealized economies of scale in certain functions, and poor incentives to produce and maintain higher-quality produce and raw materials. Similarly, change is warranted in the "state management" model—that is, in the technical and regulatory services provided by the state, in public investments and expenditures in the sector, and in the policies applied to foster farmer and agribusiness investment.

20. **Ethnic Minorities:** There are 54 ethnic groups that make up Vietnam's population; however, population is not evenly distributed between the 54 groups. The Kinh are the majority group accounting for 86 percent of the population. A further eight groups (Tay, Thai, Muong, Khmer, H'Mong, Nung, Hoa and Doa) represent another one million people. There are 15 groups that range in size from approximately 10,000 to a few hundred people. Some of the smallest groups are decreasing in numbers. There are high numbers of EMs in the NM and CH regions. In the NM region, the ethnic majority Kinh people make up 46 percent of the population and the majority of the remainder are Tay, Thai, Muong and H'Mong peoples. In the CH region, the Kinh make up 66 percent of the population with a relatively smaller proportion of Ethnic Minority groups present. The numbers of Khmer people are very low in both regions.

21. In terms of landholding, ownership of assets and access to essential public goods and services such as clean water and electricity, ethnic minorities are also demonstrably lagging behind. While total landholdings of Ethnic minorities are actually larger than for the majority group, the quality of their land is generally poorer and more susceptible to weather-related stresses and shocks that in turn negatively affect traditional livelihood strategies and returns. Analysis of ethnic minorities living in the extremely difficult communes shows that they are far less mobile and less integrated into labor markets than their majority neighbours, and much less likely to be producing higher value or industrial crops for which the economic return is far higher.

22. **Disability:** The Vietnam Household Living Standard Survey in 2006 estimates that 15.3 percent of the population of Vietnam has difficulty or extreme difficulty in the areas of hearing, seeing, cognition, walking, self-care or communicating. In the Central Highlands the use of Agent Orange between 1969 and 1971 may also have contributed to a higher rate of disabilities among the children of those exposed. Studies in Vietnam have indicated that disability of parents reduces the prospects of children,⁸ but also that provision of infrastructure and basic services can lessen the impact of disability on families with disabled members.⁹

⁸ Does Parental Disability Matter to Child Education? Evidence from Vietnam, World Development, 2013.

⁹ Spatial Variation in the Disability-Poverty Correlation: Evidence from Vietnam, UCL, 2013.

23. The Law on Disabled Persons was issued on June 17, 2010 to guarantee the rights of people with disabilities. The Law requests that in infrastructure development, accessibility of disabled persons should be taken into account to ensure persons with disabilities can have access to the developed services.

24. Vietnam recently ratified the UN Convention on Persons with Disabilities. This is an important part of the policy framework which recognizes the importance of accessibility to health and education and specifically the responsibility to ensure equal access by persons with disabilities to clean water services. A key part of this is design and construction of public water and sanitation.

25. The United Nations Children's Fund (UNICEF), as part of its "child-friendly" schools campaign in Vietnam, has worked with MoET over a number of years to design better toilet facilities. One output of this collaboration was the "Standard Latrines for kindergarten, primary and high schools" issued by MoET in 2008. The same year UNICEF worked with NCERWASS on an Assessment of water supply equipment and sanitation for children with disabilities in schools. However, the 2008 decision does not include any provision for children with disabilities.

26. **Education:** Approximately 28 percent of both the Kinh and the other ethnic groups have completed primary school; however, only 15 percent of non Kinh ethnic groups have completed lower secondary school and only 9 percent have completed upper secondary school and higher as compared to 25 percent and 23 percent, respectively, for Kinh people.

27. **Physical conditions :** The Northern Mountains region (Cao Bang, Ha Giang, Lao Cai, Bac Kan, Dien Bien and Lai Chau) is characterized by diverse and complex topographical features such as valleys, high hills, and low to medium height mountains. Such diverse topography is an disadvantage for landuse planning, erosion potential is generally high in rainy season. This region accounts for about 31 percent of the total land area; however, only makes a limited contribution to the country's agricultural land area. The northeast region is mountainous, and has sub-tropical humid climate with a north wind that sometimes drops air temperature to below 0 degree with possibility for snow.

28. The northwest mountainous region is topographically divided by high mountain ranges following northwest-southeast. The Hoang Lien Son range is 180 km long, 30 km wide with mountains of 2,800-3,000 m altitude. The Ma River mountain range is 500 km long with mountains of 1800 m altitude. Between these two mountain ranges are lower hills of the Da river catchment, which include lime stone mountain ranges running from Phong Tho to Thanh Hoa, which are further divided into Tà Phình, Mộc Châu, Nà Sản highlands.

29. The central region has the Truong Son mountain range in the west and the East Sea coastal line in the east with a 700 km coastal roadway. Topographically, the region (Quang Binh, Quang Tri, Ha Tinh, Thua Thien Hue, Binh Dinh and Quang Ngai) is lowered from west to east with high mountains in the Truong Son mountain range, lower hills, narrow floodplain and sandy beaches along the coast. The rivers in this region are usually short and steep. This region is characterized with dry and hot wind with temperature may be up to 40-42°C and cause negative impacts to agricultural production as well as human lives. The region is also frequently subjected to annual flooding and other natural disaster such as sand blowing. Ninh Thuan is the driest province in the country with average annual rainfall at about 700-800 mm while that of the country is approximately 1800mm.

30. Air quality in rural areas are generally still in relative good quality. As is in remote mountainous regions where there is no small industry or centralized farms¹⁰.

31. Water in reservoirs, ponds, canals are typically of good quality and usable for irrigation, and even domestic water supply. However, localized pollution from local agricultural production (cattle raising or coffee grinding) is rising. In rivers upstream, water quality has been being affected by natural features (runoff, erosion)

¹⁰ National Environmental Status Report, MONRE, 2014.

but still within their self-cleansing capacity. In areas less affected by development activities, most parameters are still within allowable limits¹¹.

32. Agrochemicals have been being used in cultivation, with higher usage in low-laying regions and limited in mountainous region. The 2011-2015 Environmental Status report of Ninh Thuan, for example, reported that as the main crops in the province are rice, grapes, apples, sugar canes, cassava which are vulnerable to pests thus considerable amounts of chemical have been being used for pest control, pollution risks due to agro chemical have been noted. Limited use of such chemicals in mountainous areas such as Ha Giang and Cao Bang with limited impacts have been recorded in environmental reports^{12,13}. As discussed in the next sections of the report, local authorities have been making efforts to limit the use of agrochemicals in agricultural production and guide communities to practice proper packaging material management.

33. **Accessibility to sanitation facilities.** By the end of 2014, 5% households (mostly in the northern mountain and central highland, and the coastal northern central regions) do not have toilets, and 12% HH using toilets on fish ponds (mostly in the Mekong delta). By July 2011, only 1.5% communes has combined drainage system. This low rate of wastewater collection has been one of the main cause of water pollution in rural areas¹⁴. However, this PforR will not cover rural water supply and sanitation as there is another PforR on Scaling up sanitation and rural water supply covering 21 provinces including those in the northern mountain and central highland regions.

34. **Biological resources.** Vietnam's diverse geography, along with its varying topography, soil types and its climatic range, result in considerable regional variations in terms of the country's biological resources. Vietnam is within the Indo-Burma Biodiversity Hotspot and is ranked as the 16th most biodiversity rich country in the world. It hosts 110 Key Biodiversity Areas, 59 Important Bird Areas. The country also contains two World Natural Heritage Sites, five Ramsar wetlands, eight United Nations Education, Scientific and Cultural Organization Biosphere Reserves and two Association of Southeast Asian Nations Heritage Parks.¹⁵ The list of the protected areas issued by MONRE in May 2015 is presented in Annex 2 under decision 1107. The List of Protected areas in 18 provinces under this PforR is included in Annex 2 of this ESSA.

35. Depending on their functions, existing forests are classified into three main types: specialized forests (strictly protected for gene conservation); production forests (to provide raw materials for industries); and protective forests (protect downstream areas from erosion and flooding). Biological resources are rich and diverse in undisturbed or specialized forests and in biological protected areas. Other forests have been degraded and are under threat from over-exploitation. Biodiversity has been reduced significantly due to forest fire, land use conversion, mining, and resource overexploitation. The demand for Non Timber Forest Products and other resources that leads to local overexploitation stems from both domestic and international markets. For example, there is widespread overexploitation of medicinal and aromatic plant species driven by strong demand in both China and Vietnam. Many Ethnic Minority communities in Northern Vietnam collect large quantities of these plants.¹⁶

36. Overexploitation of aquatic resources is also a serious threat to biodiversity conservation in Vietnam including unsustainable fishing in freshwater systems. In the NM there are more than 200 species of fish and in the CH there are over 150 species.¹⁷

¹¹ National Environmental Status, MONRE, 2014

¹² Cao Bang provincial Environmental Status Report, 2011-2015, page 82

¹³ Ha Giang provincial Environmental Status Report, 2011-2015, page 52

¹⁴ National Environmental Status Report, 2014

¹⁵ Vietnam Tropical Forest and Biodiversity Assessment, USAID 2013

¹⁶ Vietnam Tropical Forest and Biodiversity Assessment, USAID 2013

¹⁷ Data based on different sources compiled by the Fishery Research Institute, 2003

37. Protected Areas: there are number of protected areas including national parks, nature reserves, ecosystem and species conservation areas, and landscape protection areas in the country. MONRE has issued decision no 1107/2015/QĐ-BTNMT listing the protected areas by provinces. In addition to typical rural community located within designated land, there are clusters of communities living in some protected areas. The Government has issued Decision No. 1776/QĐ-TTg dated 21/11/2015 regarding program on allocation of residential clusters currently located in areas subjected to natural hazards, disadvantaged/border/ island/ uncontrolled migrated areas and specialised forests in 2013-2015 and orientation to 2020.

38. Physical Cultural Resources (PCR). There are a number of historical sites and/or sites with a cultural value in each of the provinces. These sites have been well-protected by local communities and government. No proposed investments will affect any of the known cultural sites. Projects will be screened for impacts on PCR.

Program Environmental Management System

39. This section discuss the scope of works to be covered under the PforR, the potential environmental impacts, risks and issues, and management system.

Scope of Works

40. There are some overlaps in the typology of investments between NTP-NRD and Program 135 of NTP-SPR. Site visits and field work in Quang Ngai, Ha Giang provinces found that the investments under NRD and SPR were of very small scale, such as village roads, classrooms, provision of small fund for households etc. Examples of the investments under NRD and SPR/P135 during 2010-2015 are shown in the photos below.



A rural water supply scheme and an incinerator at a commune health centre

Figure 2 – Photos showing some investments 2010-2015

Below are indications about the size of investments mentioned in NRD Program Manual prepared by MARD in 2010.

Table 1 – Indications on the size of NRD Investments

Item	Standard
Market	2,000 – 3,000 m ² each
Trade center	Two story building on average
Trees, green space	At least 2 m ² /person
District road passing commune residential areas	Roads at least 6-7 m wide, footpath 3 m wide on each side
Commune main road	Roads at least 5-6 m wide, footpath 2 m wide on each side
Village main road	Roads at least 4-5 m wide, footpath 1-2 m wide on each side
Lane road	At least 3.5-4 m wide
Rice field access boundary	3.5-4 m wide
Internal rice field access	1.5 m wide
Drainage	Collect at least 80% of water supply

From program description, the possible types of investments under the PforR, which support these two NTPs, are summarized in the Table 2 below:

Table 2 – Typology of Physical Investments under PforR

Category	Possible Investment
Roads	village- level farm-to-market-roads small bridges (fixed and suspension) foot paths and pathways
Irrigation	small-scale gravity, pump and drip irrigation irrigation canals, shallow wells small water impounding, small embankments,
Fishery, aquaculture Infrastructure	village-level small-scale fish landings jetties
Infrastructure to support post-harvest	drying floors, small storage sheds market facilities, fruit and nut packaging and preservation
Small-scale infrastructure under P135	Rural transportation (for production, trade and living) Electricity support (living, production and business) Radio broadcasting station; Cultural/community house Standardized health center School, standardized classroom Renovation/construction of small irrigation scheme Water supply schemes for local people Other small infrastructures proposed by community
Crops	crop production, plant nurseries seed production facilities, tree planting
Livestock	livestock breeding and distribution facilities, pig fattening, milking facilities
Poultry	egg/chicken production,
Others	composting/organic fertilizer production, small-scale commodity processing equipment for village –level processing, fruit and nut packaging and preservation village level juice processing, product hauling & consolidation, marketing, and small scale processing of agricultural products, etc.
aquaculture	Support to aquacultural production
Product processing	Coffee, coconut , vegetable oil, rubber
Handicraft production	broom and basket making, weaving, handicraft production

41. In many cases, for community-based investments, the available typical design of small-scale infrastructures/building are applied in simplified investment procedures.

Potential Environmental Impacts and Risks

42. The overall environmental impacts of the PforR NTP-NRD&SPR Program would be positive as it helps to empowering community through participation in the planning process. The infrastructures and supports provided to the communities would help to improve accessibility to basic services, improving living conditions and living standards of the benefited communities.

43. The potential negative environmental impacts and risks of the proposed PforR have been considered at early stage of the program design to ensure that the program only cover the activities that would have low to moderate and manageable potential environmental impacts and risks, and responsive to the Bank's principles with regards to impact mitigation and risk management. The issues considered are discussed below.

44. **Enhanced Operational Manuals.** The enhanced operational manuals issued by both NTPs will have detailed screening criteria to mitigate negative environmental impacts and promote positive environmental outcomes. These procedures will help screen out the investments such as those in protected areas or those supporting alcohol and tobacco processing, production or market access. These activities are currently permitted in the NTPs. It is expected that these manuals will encourage a systems change in the NTPs to adopt better practices and thereby bring about a positive change in the NTP implementation system. For the purposes of the PforR program, only activities that pass the screening will be included in the verification sample.

45. The enhanced operational manuals developed for this phase of the NTPs will provide detailed environmental guidelines with screening and management procedures, to enable program implementers at local level to avoid these risks and mitigate the potential adverse impacts. The implementation of the guidelines given in the manuals will be monitored through WB supervision and the validation protocol of the PforR. Investments would be screened to exclude the following: (i) locations within protected areas such as national parks, nature reserve, biological conservation areas, cultural-historical sites etc. listed in MONRE Decision no. 1107/2015/BTNMT; (ii) Activities that support the production, processing, marketing of beverage, alcohol, drugs, tobacco; the works primarily serving the army and defense forces. Only activities that are eligible will be included in the verification sample of the PforR.

46. **Project locations.** There are number of officially protected areas such as national parks, nature reserves, ecosystem/species or landscape conservation areas in the country. Those areas are listed in MONRE Decision 1107/2015/QD-BTNMT. Decree 18/2015/ND-CP requires projects using land within protected areas to prepare Environmental Impacts Assessment and subjected to MONRE review and approval. Similarly, projects potentially affecting critical natural habitats (particularly nature reserve, national parks etc.) are commonly be classified as high risk projects by the World Bank. The operational manuals will have screening criteria to exclude the locations located within the protected areas listed in Decision no. 1107/2015/QD-BTNMT .

47. **Activities to be excluded.** While the types of investments listed in Table 1 are indicative, the actual investments will largely be determined by community demands. There are ranges of activities that would not be subject to a screening procedure outlined in the operation manual for the NTPs. These include investments such as the production, processing or marketing of beverage, alcohol, tobacco, drugs, or activities supporting national security or defence forces.

48. **Common construction impacts.** The infrastructure investments under NTP-NRD and NTP- SPR would be common basic rural infrastructure and are at small scale. Therefore, the key potential environmental impacts/issues of concerns during construction phase would be mostly short-term, temporary, localized and insignificant. These may include dust, noise, disturbance to existing ground and vegetation cover, disturbance or interruption to daily activity of communities or farming activities, and health and safety issues. Traffic

disturbance, increased erosion and landslide risks, disturbance to drainage pattern, generation of waste and wastewater etc. are also common construction impacts but only happen to certain types of investments or under specific site conditions. These potential impacts would be easy to manage by the already known mitigation measures to be implemented as part of construction practice. Depending on the type of investments, there are also other type-specific impacts as discussed below.

49. Type-specific Impacts. The type-specific impacts related to the possible investments under NTPs during 2015-2020 are listed in the Table 3 below.

Table 3 – Potential Impacts by Typology of Physical Investments under PforR

Typology of Investment	Type-Specific Impacts/Issues
INFRASTRUCTURE	
Roads farm-to-market-roads small bridges (fixed and suspension) foot paths and pathways	<p><i>Construction:</i></p> <ul style="list-style-type: none"> • Disturbance to traffic, particularly the movements of motorbikes and pedestrians, if construction is on or border with any existing paths. • Vibration from piling during bridge construction, which is expected to happen in relative short duration • Disturbance to existing and/or natural drainage path when new road alignment is established • Erosion, landslide risk is increased at cut, fill, deep excavation/pile driving area <p><i>Operation:</i></p> <ul style="list-style-type: none"> • Erosion risk on slopes created, particularly at road shoulders and the bottom of drainage outfalls • Embankment effects affect drainage capacity of the area if existing drains were alternated
Irrigation small-scale gravity, pump and drip irrigation irrigation canals, shallow wells small water impounding, small embankments,	<p><i>Construction:</i></p> <ul style="list-style-type: none"> • Land acquisition • Relative large volume of excavated materials generated and need to be disposed of (if not reused), or relative large volumes of filling materials is required thus borrow pits need to be used • ground and landscape disturbance • Land slide/soil subsidence risk increases at cut, fill, deep excavation, particularly at embankments, borrow pits and disposal sites • Disturbance to agricultural land • Disrupt existing irrigation service <p><i>Operations:</i></p> <ul style="list-style-type: none"> • Increased surface/groundwater demand/usage in existing crop/agricultural land • increases in agricultural chemicals usage in newly irrigated existing crop land (commune plan proposed irrigation schemes for existing agricultural land only, not for expansion of agricultural land)
Fishery, aquaculture Infrastructure village-level small-scale fish landings jetties	<p><i>Construction:</i></p> <ul style="list-style-type: none"> • impacts on water quality and aquatic lives of small dredging works for the construction of fish-landing stages • Generation of dredged materials • Land slide/soil subsidence due to deep excavation or dredging areas • Safety of workers working on water surface <p><i>Operations:</i></p> <ul style="list-style-type: none"> • Safety and accessibility of boats • Safety for users
Infrastructure to support post-harvest drying floors small storage sheds market facilities	<p><i>Construction:</i></p> <ul style="list-style-type: none"> • ground/vegetation cover disturbance <p><i>Operations:</i></p> <ul style="list-style-type: none"> • Ventilation and fire prevention in storage • Drainage and sanitation at market (water, power supply incl in commune market)

Typology of Investment	Type-Specific Impacts/Issues
INFRASTRUCTURE	
fruit and nut packaging and preservation,	<ul style="list-style-type: none"> • Safety and accessibility during rainy/ flood weather to markets • food security; health and safety of workers at packaging and preservation business • Pest management
P135 small-scale infrastructure (for types not included in NRD above)	<p><i>Operations:</i></p> <ul style="list-style-type: none"> • Health station: 0.5 kg of medical waste generated daily at commune health centre, which is very small¹⁸ • Schools: odor, wastewater generation from toilets and safety of users • Water supply: water quality • Other small infrastructure as proposed by community (sports field, religious shrine, community house etc.)
PRODUCTION SUPPORT	
Crops crop production, plant nurseries, seed production facilities, tree planting, incl provisions of agro-chemicals	<ul style="list-style-type: none"> • Soil and water pollution risk, health impacts related to usage and disposal of agrochemicals such as fertilizer and/or pesticide • drainage in relation to water sources • By-products
Livestock raising livestock breeding / distribution facilities, pig fattening, milking facilities	<ul style="list-style-type: none"> • smell and odor • waste generation including death animals • wastewater generation • Feed related to food security (addictive to feed, vaccination, etc.) • Biosafety • Animal welfare (related to cage conditions)
Poultry raising egg/chicken production,	<ul style="list-style-type: none"> • Waste and odor management • Biosafety • Food security related to animal feed • Animal welfare (related to cage conditions)
composting/organic fertilizer production,	<ul style="list-style-type: none"> • Odor and hygiene conditions at temporary loading and storage of raw materials
Aquaculture Support to aquacultural production	<ul style="list-style-type: none"> • Biosafety requirements • Drainage • Usage of feed and vaccination
Product processing Coffee, coconut vegetable oil, rubber	<ul style="list-style-type: none"> • By-products, waste generation • Health and safety of workers
Salt production	<ul style="list-style-type: none"> • Food safety related the quality of raw salty water used for salt production and hygiene conditions in production process
Handicraft production broom and basket making, weaving etc.	<ul style="list-style-type: none"> • Health and safety of workers

50. The type-specific impacts can be divided into two main categories: those related to infrastructure and those related to poverty reduction support. With regards to the potential impacts and risks related to infrastructure investments, most of the potential impacts are caused by physical interventions or the modifications made to the existing environment. For the production support activities, the impacts and issues tend to be more related to raw materials/resources use, and emissions, waste and wastewater generation. Therefore the approaches of mitigating the potential impacts and risks would be different between these two categories.

¹⁸ Environmental and Social Management Framework, Health Education and Human Resource Training Project, 2013: According to MOH survey, about 0.5 kg of solid medical waste is generated daily at a standardised commune health centre.

Mitigation Measures to Reduce Environmental Impacts and Risks

51. The measures for mitigating the potential negative impacts and risks related to the infrastructure potentially to be invested in the PforR Program can be identified for application in engineering design and/or construction practices, as listed below.

Table 4 - Potential Environmental Impacts and Mitigation Measures

Impacts/Risks/ Issues	Mitigation Measures
INFRASTRUCTURE	
Construction	ECOP (Environmental Codes of Practices) have been developed for application as detailed in the Annex 5. Below are some examples
Dust, noise	<ul style="list-style-type: none"> spray water to dusty areas and roads cover material stockpiles and waste dumps vehicles used must comply with Vietnamese regulations controlling allowable emission limits of exhaust gases and have valid certificate on “conformity from inspection of quality, technical safety and environmental protection” (Decision No. 35/2005/QĐ-BGTVT); no burning of waste or materials on site.
Ground disturbance	<ul style="list-style-type: none"> Keep the areas to be disturbed at minimal Reserve topsoil for rehabilitation activities where applicable Do not use chemicals for vegetation clearing. Prohibit cutting of any tree unless explicitly authorized. Hunting, trapping shooting, poisoning of fauna is prohibited.
Disturbance to daily/ farming/ production activity	<ul style="list-style-type: none"> Place signs around the construction areas. Assign workers to direct traffic in populated areas. Passageways for pedestrians and vehicles within and outside construction areas should be segregated and provide for easy, safe, and appropriate access. Signpost shall be installed appropriately in both waterways and roads where necessary.
Traffic disturbance	<ul style="list-style-type: none"> Arrange staff to direct traffic
Vibration	<ul style="list-style-type: none"> Inform community in advance Avoid piling at night time
Ground disturbance	<ul style="list-style-type: none"> Earthworks, cuts, and fill slopes shall be properly maintained, including measures such as installation of drains, use of plant cover. Install sediment control structures where needed.
Disturb existing drainage	<ul style="list-style-type: none"> Build alternate drains or ditches to ensure that rainwater would not cause localized flooding In the case that construction activities require that work be carried out within the watercourse (e.g. culvert or bridge, retaining wall, embankments), the work area must be dewatered to provide for construction in dry conditions. Stream diversions or construction of cofferdams would require site-specific mitigation measures in the EMP.
Increased erosion/ landslide risks	<ul style="list-style-type: none"> Create retaining walls to protect slopes if necessary <p>If access roads are needed, they must have been considered in the environmental assessment.</p>
Generation of relative large amount of excavated/ dredged materials	<ul style="list-style-type: none"> Prepare site-specific measures for borrow pits and disposal sites Build open ditch around the stockpile site to intercept rainwater runoff. Use Stockpile topsoil to restore the area to near natural conditions. Obtain waste disposal permits before construction is started. Store solid waste temporarily on site in a designated area approved by the Construction Supervisors. Waste storage containers shall be covered, tip-proof, weatherproof and scavenger proof. No burning, on-site burying or dumping of solid waste shall occur.

Impacts/Risks/ Issues	Mitigation Measures
INFRASTRUCTURE	
	<ul style="list-style-type: none"> If not removed off site, solid waste or construction debris shall be disposed of only at sites identified and approved by the Construction Supervisors.
Disrupt irrigation service	Consult with affected communities Carry out construction at low irrigation demand period
Dredging management	<ul style="list-style-type: none"> The Contractor shall prepare Dredging plan and submit to the Construction Supervisor for Review and approval. The Content of the plan shall include: <ul style="list-style-type: none"> Characteristics of sludge/sediment: quantity and quality. Dredging method Method for temporary storage and final disposal of the dredged materials with environmental mitigation measures included Dredging works must be carried out at intervals to allow sediments to resettle Portable or constructed toilets must be provided on site for construction workers if contractors are hired to carry out the works. Wastewater from toilets and workers camp must be treated and not discharged directly into water sources
Health and safety issues	<ul style="list-style-type: none"> Briefing workers on occupational safety regulations The contractor shall provide safety measures as installation of fences, barriers warning signs, lighting system around construction sites.
Operation	
Erosion at slopes	Design solutions, such as retaining walls, vegetation cover, compensate with alternative drains, install handrails along the jetties, build simple incinerator or safe burial area for medical wastes etc. Water quality should be tested by the Preventive Health Centre regularly
Disturb drainage	
Safety of users	
LIVELIHOOD SUPPORT	
Usage of agrochemicals such as fertilizer and/or pesticide; water use	<ul style="list-style-type: none"> Promote the application of VIETGAP (Vietnamese good agricultural practices) Train the farmers on IPM in corporation with technical training Promote the application of “three reduction, three increases” initiated by the National Centre for Agricultural promotion (applicable for rice: reduce seed, fertilizer and pesticide; increase productivity, Promote the application of “five must, five reduction” movement, which requires the farmers to use defined rice seed, reduce: water use, post-harvest lost, seed used, pesticide and fertilizer
smell and odor from cattle/ poultry raising	Siting the cage at end of prevailing direction Separate cages from living areas Ensure ventilation of the cages Collect and treat manure for beneficial use (e.g. composting for application onto crop land)
Waste and wastewater generation from cattle/ poultry raising	Biogas, composting Create proper drains
Biosafety	Vaccination Follow rules on safe disposal of dead animals
Food security related to feed	Train, inform the farmers not to use feed mixed with abandoned addictive
Animal Welfare	Adequate space in animal cages for their comfort
By-products generation	Reuse for beneficial use, such as composting for fertilizer
Health and safety of workers	Ventilation, provision of protective cloths

Environmental Management Systems

52. In general, the existing environmental management procedures and processes of Vietnam meets the requirements set out in the Core Principle 1 of PforR Programs. The existing institutional settings and legal frameworks allows the potential adverse impacts and be avoided, minimised or mitigated, environmental

sustainability can be promoted, informed decision-making relating to a program's environmental and social effects can be promoted. The existing regulatory authority and legal framework are described below are adequate to guide environmental and social impact assessments at the programmatic level

Environmental Institutional Responsibilities

Central Level

53. At national level, the Ministry of Natural Resources and Environment (MoNRE) is the authority in charge of state environmental management including rural environment. As part of its management function, MoNRE appraises and approves environmental reports and carries out post-EIA monitoring of large scale or high risk projects. Review and appraisal of medium or low risk projects have been decentralised to DONREs or DPCs.

54. Regarding occupational health and safety, agencies from various levels of the Ministry of Labor, Invalids and Social Affairs (MOLISA) provide guidance and carry out periodical inspections. Management of cultural resources is the responsibility of the Ministry of Culture, Sports and Tourism (MOST).

55. At sectoral level, the Ministry of Agriculture and Rural Development (MARD) is the state management authority in charge of agricultural and rural sector including environmental management aspects. Environmental management function has been assigned to the Department of Science, Technology and Environment (DOSTE) at Decision no. 10/2008/QĐ-BNN:

- manage agricultural extension in cultivation, livestock, forestry, aquaculture, irrigation, salt production, agricultural and forestry products conservation, rural sub-sectors;
- appraise environmental reports to be approved by MARD
- Guide the inspection, monitoring and implementation of regulations in science, technology and environment, national standards etc.
- guide and monitor environmental monitoring and warning activities, including biodiversity, biosafety, genes in agriculture, forestry and aquaculture.
- Guide, monitor and make conclusions about acceptance of new floral or fauna species for cultivation, appraise environmental treatment equipment, guide the implementation of environmental mitigation measures etc.

56. Each other subdepartments under MARD manages specific aspects in rural/agricultural sectors including environmental management. For example, among their other functions, the General Department of Water Resources Management manages water resources and irrigation works, the General Department of Fishery manages fishery resources and related activities (exploitation, processing and manufacturing of fishing boats), the General Department of Forestry manages conservations areas, national parks and nature reserves, the Department of Cultivation manages the usages of fertilizer, control introduced species, gene-modified seeds, the Department of Plant Protection manages agrochemicals used for plant diseases prevention and treatment. These subdepartments have network at provincial, district level and even commune levels to carry out management function as well as providing advisory services including environmental agricultural/rural practices to assist the farmers and communities.

57. Other ministries also manage number of sectoral activities such as MOC managing drainage and water supply, solid waste management at craft villages and centralized residential areas; and MOH managing food safety and hygiene, and waste treatment at health centers.

Province Level

58. The Departments of Natural Resources and Environment (DoNREs) are the provincial environmental management agencies, which are responsible for environmental management, including rural environmental management, land acquisition and compensation, mineral resources management, hydrometeorology, and

mapping. DoNREs support the PPCs on environmental management in accordance with the law on Environmental Protection (LEP) and related laws and regulations. DoNREs are technically managed and supported by MoNRE.

59. At the provincial level, there are several departments associated with different Ministries. The Department of Culture, Sports and Tourism (DOST) is the authority for state management of culture, including physical cultural resources. DARDs are responsible for agricultural and rural development with some responsibilities decentralized to district and commune levels. The Plant Protection and Quarantine Law introduced in 2015 specifically defined the responsibilities of PPCs to allocate financial resources and to direct DPCs to arrange for collection and disposal of used agrochemicals and packaging materials. For agricultural production activities, mass organisations such as the Farmers' Associations, youth associations, women's associations, Fatherland Front etc. play important roles in conducting training and promoting good practices, experience exchanges between the farmers.

District and commune levels

60. Decree 18/2015/ND-CP dated 14 February 2015 regulates that Environmental Protection Plans (EPPs) of medium and relative small projects must be prepared for small-scale investments that are not located in environmental sensitive areas and submitted to District People's Committee for review and approval. Article 32, item 3 of Decree 18 regulates that CPC may be considered and authorized by the DPC for certifying Environmental Protection Plan (EPP) of household scale businesses to be implemented within one commune.

61. District DARD, Agricultural Promotion Centre and Animal Health Division are the agencies in charge of agricultural and animal husbandry management at district and communes level.

Legal and Regulatory Framework Applicable to Program

Law, Decrees and Circulars

62. The following laws, decrees and circulars relate to the Program:

- The Constitution
- The revised Law on Environmental Protection no. 55/2014/QH13 dated 23 June 2014, effective from 1 January 2015;
- Occupational Safety and Hygiene Law no. 84/2015/QH 13 dated 25 June 2015, effective from 1 July 2016;
- The Biodiversity Law No. 20/2008/QH12 dated 13 November 2008 and effective from 1 July 2009;
- The Law of Fishery Resources No. 17/2003/QH11 dated 26 November 2003 and effective from 1 July 2004
- The Law on Animal Health Care no.79/2015/QH13 dated 19 June 2015
- The Law on Water Resources no.17/2012/QH13 dated 21 June 2012;
- The Law on Natural Disaster Prevention and Preparedness no. 33/2013/QH13, effective from 1 May 2014;
- The Law on Labor no. 10/2012/QH13 date 18 June 2012;
- The Law on Cultural Heritage no. 32/2009/QH12 dated 18 June 2009 revising some articles of the Law on Cultural Heritages no. 28/2001/QH10;
- Decree 18/2015//ND-CP guiding the implementation of the Law on Environment 2014 with particular regulations on environmental planning, strategic environmental impacts assessment, environmental impacts assessment and environmental protection plans; and
- Circular 27/2015/BTNMT providing guidance of strategic environmental assessment, environmental impact assessment and environmental protection plan
- Decree 201/2013/ND-CP guiding the implementation of the Law on Water Resources.

63. **The Laws on Environmental Protection 2014.** In June 2014, The Government of Vietnam issued a new Law on Environmental Protection (LEP) no. 55/2014/QH13 to replace the LEP issued in 2005. The new LEP became effective from 1 January 2015. The new LEP retained the overall and fundamental legal framework for environmental regulations in Vietnam. The LEP regulates environmental protection activities, policies, measures and resources for protection of the environment; general rights, obligations and responsibilities of institutions, organizations, households and individuals with respect to protection of the environment.
64. The new 2014 LEP contains detail regulations that may be relevant NTP-NRD and NTP-SPR :
- Chapter IV, articles 39 - 48: Adaptation to Climate Change;
 - Chapter VI, articles 52 - 64: Air, Water and Soil environmental protection;
 - Chapter VII. articles 72-74: Environmental Protection in (a) hospitals and healthcare centers; (b) construction; and (c) transport;
 - Chapter VIII, articles 80-84: Environmental Protection in residential areas;
 - Chapter XI, articles 85-103: Waste and wastewater management;
 - Chapter XIV, articles 139-143: Responsibilities of State Environmental Management Agencies; and
 - Chapter XV, articles 144: Environmental Protection responsibilities of Vietnam Father Front, Civil Organization and Communities.
65. **The revised Environmental Law issued in 2014** also cover regulations applicable to agricultural production, craft village, aquaculture, agrochemicals, animal medicines, residential areas, households etc. Articles 69, 70 includes regulations on rural environmental protection and the topic was also mentioned in articles (71, 78, 80, 82, 83). The environmental assessment regulations and procedures regulated by LEP are supplemented by Decrees and Circulars. In Decree no. 18/2015/ND-CP, Article 18 specifies the cases where EPPs are required and Article 19 describes the key rules in the EPP review and approval process. Circular 01/2012/TT-BTNMT of MoNRE regulates the preparation, appraisal, monitoring and certification for the implementation of detailed and simplified environmental protection proposals.
66. **The LEP 2014 allows early screening of potential environmental effects.** Under LEP, full Environmental Impact Assessment (EIA) is mandatory and subjected to MONRE appraisal for high risk projects, these include : (a) are large scale for which investment decisions are made by the National Assembly, the Government and the Prime Minister; (b) use land falling within nature reserves, national parks, historical/cultural sites, biosphere conservation areas or classified sites with landscape values; and (c) have adverse environmental impacts and high risks. For lower risk projects, partial EIA (subjected to appraisal by DONRE) or Environmental Protection Plan (EPP, certify by district PC) are required. It is not likely that any activities under the NTP-NRD or NTP-SPR will be required to prepare a full EIA, as physical investments will be mostly community-based basic infrastructure. The Program Operational Manual will exclude sub-projects/items that may affect environmentally or culturally sensitive sites listed in Decision 1107/2015/BTNMT (Annex 2 of this ESSA).
67. Some physical investments under the NTP-NRD and NTP-SPR will be required to prepare Environmental Protection Plans (EPPs) in compliance with the new LEP/Decree 18/2015:
- Entities subjected to EPP preparation include: (a) investment projects production, business, and the service establishments where EIAs are not required but also not exempted from EPP preparation;
 - Contents of EPP: The template of EPP are regulated in Annexes 2.9 and 2.10 of Circular27/2015/BTNMT. The contents of EPP include: i) General information about the project and Project owner; ii) Mitigation measures to be applied at pre-construction and during construction phases; iii) The works for mitigating the potential environmental impacts during operation phase, such as wastewater treatment unit, waste storage and treatment etc.)
 - Review and Appraisal of EPPs: the LEP 2014 regulates in detail the responsibilities of government agencies to appraise and approve EPPs and of project owners to implement the approved EPPs. District Peoples Committees will review and appraise small EPPs of projects implemented within the administrative boundary of the District, and Provincial DoNRE will appraise and review small projects

covering two or more districts in the province. District DPC can also consider authorising CPC to review and approve EPPs of household level business to be implemented within the commune.

In particular, the new LEP also specifies environmental management responsibilities requirements to communities and households, including:

Chapter XV Article 146 Community responsibilities	<i>...Have the rights to request state environmental management authority to implement measures to protect the rights and welfares of the community in accordance with the civil Law...</i>
Chapter VIII, Article 82 Households responsibilities	<ul style="list-style-type: none"> • <i>Reduce and separate municipal wastes at source and transport to approved location;</i> • <i>Reduce, treat and discharge domestic wastewater to approved receptors;</i> • <i>Generation of emitted gases, noise, vibration exceeding environmental technical standards is forbidden;</i> • <i>Pay environmental protection fees in full amount and on time; pay for waste collection and treatment services as regulated by Law;</i> • <i>Participate in environmental protection activities in public and residential areas; and</i> • <i>Have sanitary facilities and animal cages that are safe and hygienic.</i>

68. The PforR investments are mostly small-scale and community-based; therefore potential impacts are expected to be limited. According to existing regulations, simplified investment procedures can be applied to investments with budget below VND 5 billion, i.e. typical design and cost estimations can be used. The existing manuals do not include adequate guidelines on how to manage the potential environmental impacts and risks related to these small-scale infrastructure. Meanwhile, Environmental Codes of Practices (ECOP) for small civil works have been well developed and being applied widely in Bank-financed projects in Vietnam. ECOP ensures adequate community, individual and worker safety. While the potential impacts on known exiting physical cultural resources would be avoided under under the Program mainly through screening, ECOP also included chance find procedures to address the cases where artifacts exposed during construction phase in accordance with Vietnamese Law on Cultural Herigate. Therefore, ECOP should be included in the Project OM for inclusion into bidding and construction contracts where applicable.

69. Annex IV of Decree 18/2015/ND-CP also specify the activities are not required to prepare EPP. The category in the list may be relevant to PforR include:

- Training, technology transfer, marketing, trade promotion Communication and media
- Mobile trading/shops
- trading of domestic products
- cattle, poultry raising with cages smaller than 50 m², aquacultural on water surface less than 5,000 m²
- Household scale agricultural and forestry production
- Construction of houses; construction of offices, guesthouses etc. smaller than 500 m².

Aquaculture Law No. 17/2003/QH11

70. The Law include 10 chapters, 60 articles. The chapters most relevant to this PforR are Chapter 1 - general regulations, chapter 2 - to fishery resources protection and development, Chapter 3 - fishery resource exploitation, chapter 4 – aquaculture. Particularly Chapter 1, Article 6 list the prohibitions which are useful for guiding households thus listed in Annex 5. Article 35 regulates about the feed, medicines and chemical usage in aquaculture.

Plant Protection and Quarantine Law no. 41/2013/QH13 dated 25 November 2013

71. This law includes five chapters with 77 articles, chapter 1 provide general regulations, Chapter 2 includes regulations about plant protection, chapter 3 about quarantine and chapter 4 are implementation terms. Below are some articles most relevant to NTP SPR. It is noticeable that this Law included specific regulations and guidance about the production, transportation, storage, management and disposal of used agrochemicals and packaging materials.

Article 7. Management responsibilities of Government and related Ministries

2. MARD is in charge of plant protection and quarantine, being responsible for:

- a) Issue policies, legal documents, standards on plant protection and quarantine;
- c) Detect, predict and ward about harmful species , direct to manage epidemics;
- đ) arrange for the management of pesticides including registration, testing, production, trading, import and export, transportation, reservation, packaging, labelling, recall, disposal, collection and treatment of chemicals and packaging materials after usage;
- e) Guide and provide training on proper agrochemical usage;

3. Responsibilities of related ministries:

- a) MOH in coordination with MARD issue regulations and measure to prevent food safety risks related to chemical usage during the production of agricultural products;
- d) MONRE guide the disposal of used agrochemicals and packing materials; coordinate with MARD to prepare regulations on biodiversity protection related to plant protection and quarentine, on collection of used agrochemical packaging materials;

Article 8. Responsibilities of People’s Committees at various levels

1. PPCs: d) Organize for the trainings on plant protection, usage of agrochemicals, communication to raise awareness related to environmetnal and health impacts of agrochemical applications; đ) Allocate budget and direct DPCs to collect and treat used agrochemicals and packaging materials, disposed off unclaimed ownership agrochemicals;

2. CPCs: a) Communicate to raise awareness related to environmental and health impacts of agrochemicals; b) identify the locations collection points, provide guidance to collect packaging materials; c) coordinate with plant protection agency in their localities to guide local people about safe usage of agrochemicals;**Article 10.**

Roles of Mass Organizations

provide comments on draft legal documents, communicate to raise awareness about plant protection and quarentine.

Article 13. Prohibitions

- 3. Import, produce, transport, store, trade untreated plants affected by harmful organisms or use untreated plant seeds affected by harmful organisms in the quarrentine list.
- 4. Spread harmful organisms.
- 5. Raise harmful species, except the cases permitted in writing by MARD Minister.
- 6. Use agro chemicals in Vietnam prohibited list or not in the List of Agrochemicals allowed to be used in Vietnam.

Article 12. Sanitation conditions in animal raising: cages must be cleaned up and disinfected after each slot. Animal raising areas must have space for waste treatment, separation of sick animal, cleaning area

Article 14. Plant Protection

- 1. Apply IPM approach including the selection of resistance seeds, cleaning up the field, schedule crops and density of seedling appropriately, use fertiliser and other environmental friendly to promote the growth of the plants.
- 2. Monitor plant disease; Prioritise cultivation methods, application of biophysical, mechanical methods and experience, and GAP (good agricultural practices) in plant protection.
- 3. Only apply chemicals after (1) and (2) have been applied but diseases are not well-controlled and productivity and quality may be affected

4. Training on plant protection methods that ensure safety for the people, flora and fauna, and the environment must be provided.

Chapter 4 regulates about the management of agrochemicals, including registration, the cases where agrochemicals must be recalled and disposed of. Article 75 mentioned about collection and dispose of and packaging materials however only the roles of MARD, MONRE, and PPCs were mentioned.

Animal Health Care Law no 79/2015/QH13 dated 19 June 2015

72. This Law includes 106 articles. Chapter 1 are the general regulations, Chapter 2 provides regulations about animal disease prevention and treatment, covering both terrestrial animals and aquatic species/fishery. Chapter 3 regulates about animal and animal product quarantine, chapter 3 contain regulations about slaughtering control including pre-processing. Chapter 4 cover rules about management of animal medicines.

73. Article 30 provide regulations about treatment to sick animals with diseases in the list that epidemic must be declared, or infectious disease that are communicable between animals and human beings: the animals MUST be either disposed of; or slaughtered at places designated by local animal health management authorities. This article also provide detail regulations about the transportation of the sick animals, cleaning up of slaughtering tools, treatment to the meats and by-products, and about the responsibilities of owners.

The Order about livestock breeds issued in 2004.

74. The order include six chapters with 28 articles with regulations about livestock breeds. Article 19 requires nursery business must comply with animal health care and environmental protection rules.

The Law on Workplace Safety and Hygiene, 2015.

75. Before 2016, regulations related to public and worker safety are included in various laws such as the Vietnam Labor Codes 1994 and Decree 06/ND-CP dated January 20, 1995, and Decree 110/2002/ND-CP dated 27 December 2002, which amends and supplements Decree 06/ND-CP. The Law on Workplace Safety and Hygiene has been newly put into effect from 1 July 2016 and applicable to the labours working under contracts or without contracts, trainees, individual or organisational employees. Below are the key aspects that may be relevant or applicable to the PforR operations.

76. Article 3 of this Law defines workplace safety are the measures to prevent or mitigate the the impacts of dangerous factors to ensure that injuries or fatalities are not happened, Workplace hygiene was defined as the measures to prevent or mitigate the potential impacts of harmful factors that may cause diseases or affect human health while working.

77. Articles 4 and 5 are the Government policies statements and principles which refers to facilitating the implementation of the mitigation measures that ensure and comply with and workplace safety and hygiene requirements. The rights and responsibilities of various stakeholders such as employers, employee, organisations etc. are detailed in articles from 6-11, and 16-17. Forbidden actions are specified in Article 12.

78. Chapter II details the preventive and mitigation measures, which cover, but not limited to: communication and training, preparation and application of safety and hygiene rules and procedures. Training on safety and hygiene must be provided to the workers by qualified / trained staff. Item 3 under Chapter II mentioned about health care/health check and personal protection requirements.

79. Chapter III described the procedures to deal with safety failures, accidents or occupational diseases including declaration, investigation, reporting, and compensation/supports to people affected by safety or occupational health.

80. Chapter IV specify occupational safety and hygiene requirements to specialised groups such as women, under 18 years old, aged or disabled labours, students and trainees etc. Chapter VI include provisions about state management of occupational safety and hygiene.

The Law on Biodiversity, 2008.

81. The Law on Biodiversity includes 8 chapters with 76 articles. Below are the key articles, terms and clauses that may be relevant to NTP PforR. Chapter I, General including explanations about the terms

Key terms in Biodiversity Law
<i>Biodiversity conservation</i> is the protection of the diversity of important specialised or representatives natural habitats, protection of regular or seasonal natural habitats of wild species, landscape, or unique natural beauty ...
<i>Biodiversity</i> is the diversity in gene, species and ecosystems in the nature
<i>Biodiversity corridors</i> are areas connecting natural ecosystems which allows biological species living in these ecosystems contact to each other
<i>Natural ecosystems</i> are ecosystems that formed and developed following natural rules and wild features are remained; <i>new natural ecosystems</i> are ecosystems that are newly formed and developed on floodplains at estuaries, river mouths, areas sediment with alluvial etc.
<i>Nature reserves</i> are geographical areas having defined boundaries and zoned based on functions for biological conservation.
<i>Endangered species</i> are biological species that are at risks of entirely reduction in number of individuals
<i>Specialised species</i> are those species that only exist and develop in a narrowly distributed area, and limited within a defined territorial area of Vietnam but not recorded as found in any other places in the world.
<i>Introduced species</i> are species that occur and develop in areas that are not used to be their natural habitat
<i>Invasive species</i> are introduced species that invade the habitat of, or cause harm to native species, causing biological imbalances where they exist and grow.
<i>Buffer zones</i> are the areas that surround and border with conserved areas, which have the function to prevent or mitigate the potential negative impacts caused by external sources onto the protected areas

Article 5 prioritise the conservation of important/specialised natural ecosystems or representing ecosystem/species conservation areas for rare/valuable/endangered species. Article 7 lists the forbidden activities, some are listed below.

<i>Forbidden activities listed in Article 7</i>
1. Catching wildlife in the strictly protected zone of protected areas; invade land, damage the landscape or natural ecosystems, farm introduced invasive species within the protected areas;
2. Build houses or structures within the strictly protected zones of protected areas or illegally construction of houses or structures within the ecological recovery zone of the protected areas
3. Animal or poultry grazing at farm level, large scale aquaculture; illegally reside or cause environmental pollution in strictly protected zones and ecological recovery zones
4. Illegal catching, consuming, transporting or trading rare/threatened/valuable species or products
5. Illegally convert landuse within protected areas

82. Chapter III discuss about conservation and sustainable development of natural ecosystems. Article 16 four categories of conservations area, including: a) national parks, b) nature reserves; c) ecosystem/species conservation and d) landscape protection areas. Protected areas are classified into nationally and provincially protected areas. Articles 17-20 specify the criteria of each conservation are category mentioned in Article 16. Article 26 regulates the zoning of conservation areas, which includes: a) strictly protected zone, ecosystem recovery zone; and c) administration-service zone.

83. Chapter IV cover the conservation and sustainable development of species. Item 3 discuss about invasive introduced species. Article 52 specifies that the farming of introduced species, which are potentially invasive, can only be carried out after experimental results confirmed that there are no risks that these species would be invasive to biodiversity and license are granted by PPCs.

Review of other Relevant Laws and Decree No.201/2013/ND-CP guiding the implementation of the Law on Water Resources

84. **The Law on Natural Disaster Preparedness and Response** promulgated in June 2013 establishes fundamental principles relating to disaster preparedness and response which include proactive prevention and timely response as well as prompt and efficient recovery. Article 4 specifies that disaster preparedness and response should combine construction and non-construction solutions; environment and ecosystem protection, and climate change adaptation.

85. Article 19 specifies disaster prevention requirements for urban/rural residential areas and technical infrastructure works. Investors are required to ensure disaster prevention requirements are incorporated into proposed project preparation, including: (a) not to cause increased disaster risks, restrict to a minimum the risk of disasters, and ensure the stability of the building in case of disaster; and (b) comply with the provisions of the law on environmental protection, construction and urban planning. This article also requires the competent authority to perform a project assessment to ensure that proposed projects meet disaster prevention requirements.

86. **The revised Law on Water Resources** was promulgated in 2012 replacing some articles of the old Water Resources Law issued in 1992. While this Law is more focused on water resource planning, management and the effective use of water resources, there are some articles closely related to the environmental assessment process as described below:

- **Article 9** provides a list of the prohibited activities that would cause pollution/ degradation of water resources of various types. Particularly, this article specifies that discharge of both untreated domestic wastewater (or treated wastewater that does not meet the standard) into water sources is prohibited.
- **Article 27** states that entities that may cause water pollution are required to prepare and implement plans to prevent, minimize and clean up pollution
- **Article 5** regulates that ministerial agencies, including the People's Committees at various levels, have the responsibility to coordinate with the mass media and educational organizations to conduct training and communication activities to raise awareness and promote the participation of people in the protection of water resources and the effective usage of water, etc. During the consultations with representatives of DoNREs and provincial mass organizations such as the Women's Unions, it was confirmed that environmental communication campaigns with water-related topics have been conducted in the provinces. This would be an advantage for community-based investments in of the Program.

87. **Decree No. 59/2007/ND-CP dated April 09, 2007 of the Government on Solid Waste Management.** The first three principles stated in Article 4 of this Decree will be applicable under the Proposed Program. These are: (a) organizations and individuals that discharge solid waste or are engaged in activities that generate solid waste shall pay charges for the collection, transportation and disposal of solid waste; (b) waste shall be separated at source of generation and then recycled, reused and processed to have its useful constituents recovered for use as input materials and to generate energy; (c) priority should be given to the application of technologies for the processing of hard-to-decompose solid waste, which may help reduce the volume of waste to be buried, so as to save land used for this purpose.

88. The proposed Program should also follow the requirements detailed in some items of Article 24, including: (a) "on the main streets, in business centers and in public and residential areas, facilities for storage of solid wastes must be arranged" (item 3); (b) "the volumes of waste bins within a building must suit detention time. Bins placed in public places must meet technical and aesthetical requirements" (item 4); (c) and "solid waste must not be kept on-site for more than two days" (item 5).

Program Environmental Capacity and Performance Assessment

89. As described, the program's institutional arrangements are mostly based on the staff from existing bodies of government agencies and organizations, environmental management capacity and performance assessment below are based on agricultural sector taking into account the roles of other authorities and mass organizations.

Rural Sector and Environmental Management Status

Environmental considerations and approaches in Agricultural Production.

90. *Water usage in agricultural sector.* Water usage in agricultural accounts for about 80% of water usage in the country¹⁹. However, being located in remote areas, the majority of the irrigation headworks in the visited communes are usually at small-scale, and investments under NRD were mostly on improvement or maintenance of irrigation canals. Water is scarce in mountainous areas, some crop land in the visited communes in Ha Giang have been dependent on natural rainwater. Increased salinity in recent years lead to crop conversions, for example from three rice crop to two rice crop and one vegetable crop annually in Hau Thanh commune of Long Phu district, Soc Trang province.

91. *Cultivation.* Agricultural production in Vietnam has been directed toward safe and sustainability. Since 1992, the Plant Protection authority have initiated the movement "three reduction: seeds, pesticides, fertilizer, three increases: productivity, product quality, and efficiency" and "one must: use certified seed only, five reduction: seeds, pesticide, fertilizer, water usage, and post-harvest losses" movements with the aim of reducing resource usage and reducing emissions from agricultural production. Integrated Pest Management (IPM) has been implemented on rice crop since 1992, cotton in 1995, tea in 1996 then extended to other crops afterwards. In 2008, MARD has issued VietGAP (Vietnamese good agricultural practices) with principles, procedures and guidance on the production, harvesting, post-harvest treatment aiming at ensuring safety and good quality of products, environmental protection and being able to track origins for cultivation, livestock and aquaculture production.²⁰ These approaches has been being applied in NRD and SPR.

Clean Vegetable production model in Cam Giang commune, Bach Thong District, Bac Kan province

Under NRD, the commune started up clean vegetation production model applying VietGap in 1,5ha including 1.300 seasamine in nests. 20 households participated, productivity was increased, the use of pesticide and fertilizer was reduced. Awareness of other households in the commune about safety production has also been raised. Similar models were applied in Ngân Sơn and Dương Quang commune of Bắc Kạn the Farmers were trained on safe agricultural production technique.

Farmers Association of Bac Kan province hold many training courses on safe agricultural production and the application of VietGap²¹. Through these training courses, the farmers have been guided to use listed pesticide only and to collect, treat the packaging materials properly. The application of IPM is effective for environmental protection in agriculture.

92. However, although a lot of effort has been made, the National Environmental Status Report 2011-2015 noted the concerns about overuse of agrochemicals and unsafe disposal of the packaging materials, mainly due to the habits and limited environmental awareness of the farmers. Each year, hundred tons of agrochemicals have been used, in which wastes and packaging materials account for about 7%. There have been many efforts to address the issue. At central level, authorities have introduced the Plant Protection Law in 2015 requiring the

¹⁹ Speed made by MONRE Vice Minister at a water forum held in November 2014 in Hanoi, <http://dwrn.gov.vn/index.php?language=vi&nv=news&op=Hop-tac-quoc-te/Nhu-ng-va-n-de-ca-p-ba-ch-ve-ta-i-nguyen-nuo-c-ta-i-Vie-t-Nam-3906>

²⁰ <http://www.vietgap.com/1552/cm/vietgap-la-gi.html>

²¹ <http://tapchimoitruong.vn/pages/article.aspx?item=B%E1%BA%A3o-v%E1%BB%87-m%C3%B4i-tr%E1%BB%9Dng-trong-s%E1%BA%A3n-xu%E1%BA%A5t-n%C3%B4ng-nghi%E1%BB%87p-38261>

PPC to allocate budget for agrochemical packing material collections. In Winter-Spring crop 2014-2015 alone, the southern Plant Protection Agency conducted 84 training courses for about 4,000 farmers on safe usage of agrochemicals and environmental issues in agricultural production, three training courses on agro waste collection²²; In the provinces, DONRE, Plant Protection Agency (PPA) and commune authorities have been working together in recent years in the efforts of addressing the issues related to collection and disposal of packaging materials. Mass organisations such as the Women's union, agricultural extension stations, Veteran association in some localities (Quang Ngai, have also been initiated or participated in the collection of agro-packaging materials.

Efforts made to collect packaging materials and raise awareness

In 2015, Nghệ An DONRE supported Quỳnh Minh commune of Quỳnh Lưu district with 100 tubes for collection of agrochemicals, subsequently the commune arranged for additional 65 tubes so all field in the commune have been covered. Plant Protection Agency (PPA) arrange for transportation and disposals²³. According to a commune officer, people's awareness has been arisen since the placement of these tubes



Since 2010 to date, the PPA in HCMC have installed 330 tubes in 25 communes of HCMC. The tubes are placed on rice/vegetable fields of NRD communes. In 2013, HCMC PPA and 20 PPAs of the southern provinces implemented the program "With the farmers to protect the environment" in which trainings and pilot ecological cultivation models were presented, All agrochemicals packaging materials were collected in these models and transported back to PPA for storage and final disposal.



A women group collecting agropackaging materials was set up in Duong Ha commune of Gia Lam district, Hanoi, with the aim of raising community environmental awareness, reducing pollution risks. The Agricultural Extension station arrange for transportation to final treatment place every six month²⁴.

93. Waste generated from cultivation such as straws and tree trunks as by-products is relatively large. In most areas in the southern region, such by-products are collected to a maximal extent for producing animal feed and mushroom production thus the potential environmental impacts are mitigated. However, such wastes are not reused in the northern region but are normally being disposed or burnt off on-site, particularly in harvesting season. The burning of large volume of rice straws caused smog and air pollution in the surrounding areas. There are pilot studies about the use of rice straws for producing bio-products however these are still at trial stage. Bioproducts have also been developed for fermenting agricultural waste/byproducts

94. *Livestock*. The country has 8.5 millions household-scale animal cages and 23,500 farms. However, only 8.7% HH has biogas and only 10% of households have proper animal cages²⁵, and there are number of households discharging the untreated wastes directly into the environment. In some areas, animal manure are collected and sold for composting, fish feeding or biogas however these are not popular and arranged individually. The "Biogas for the Animal Husbandry" Project financed by the Netherland Government was implemented through the Animal Husbandry Department of MARD. The project aims at treating animal wastes by biogas technology, providing clean low-cost energy to the farmer, reducing forest cutting, fossil fuel usage and greenhouse gases emissions. By the end of 2014, the project supported more than 145,000 biogas schemes with 725,000 beneficiaries, trained 1,064 technicians at provincial and district levels, 1,668 biogas builders, organised 140,000 training workshops with hundred thousand attendees²⁶.

²² <http://khpl.moj.gov.vn/qt/tintuc/Pages/phap-luat-ve-bao-ve-moi-truong.aspx?ItemID=307>

²³ <http://nghean.gov.vn:10040/wps/portal/mainportal/chitiet>

²⁴ <http://phunuthudo.com.vn/ra-mat-to-phu-nu-thu-gom-vo-bao-bi-thuoc-bao-ve-thuc-vat/>

²⁵ National Environmental Status report, 2014

²⁶ <http://www.biogas.org.vn/vietnam/default.aspx>

95. Animal epidemics have occasionally occurred in the last few years that caused mass death of animals and poultry. This points to the need for proper burial or disposal of dead animals, to avoid environmental pollution and related public health effects.

Soc Trang piloted composting agricultural waste and by-products at household scale²⁷ (06/12/2016)

A workshop on composting agricultural waste and by-products at household scale has been held by the Standing committee of the provincial farmer association on 6 December 2016, attended by EPA, My Tu district DONRE, Farmers association, mass organisations and the members of Huu Nghia farmers association. 25 households were instructed to pilot the model and succeeded. Through the pilot, the farmers had learnt the process and be aware of the overuse of agrochemicals.

96. There are about 9,000 agricultural cooperatives (cultivation, livestock, aquaculture and fishery, etc.) countrywide. By 2014, there are 274 environmental cooperatives, mostly in rural areas, on waste collection and treatment, and water supply²⁸.

97. *Craft village waste.* Currently most of craft business are in small scale and located within residential areas thus environmental management is challenging due to the lack of wastewater collection and treatment systems.

98. *Forest protection.* Forest environmental Services payment have been effective in mountainous areas. Communities have been mobilized for forest protection.

After three years of implementation (2012-2014), forest environmental services payments (FESP) have created stable financial sources for the protection of 2.8 to 3.7 million ha of forest protection. , contributed to raising living standards of local communities, particularly the ethnic minorities, and community in remote areas. On average, the income of each household from forest environmental service is 1,8 million VND/HH/year. 36 provinces have established Forest Protection and Development Fund

99. According to MARD, 14 - 42 billions VND have been allocated annually for expenses on cultivation and plant protection; livestock and animal health care, forestry, salt production, water resources, aquaculture and fishery, and rural development. However, most of the budget (10-30 billions VND/year) have been spent mostly on the Fishery Resource survey under Project 4713. In 2014, 3.5 billion VND were spent on environmental quality monitoring, 1 billion VND on inspection, communication and training, and 2-3 billion were for other activities. With limited available financial resources, numbers of approved projects have been implemented very slowly or there is no fund for implementation. At local level, most of the budget for environmental protection has been spent on clean water supply and sanitation, and very small portions on waste treatment.

100. Information collected during the second round of public consultations confirmed that the construction of small-scale rural infrastructures such as roads, cultural house etc. would be carried out by local communities or small contractors. Community representatives and authorities noted that the impacts and risks were very minor, and that the overall benefits to the communities far outweighed these minor negative impacts. In cases where contractors were hired, communities usually provided the most possible support to the contractors. With regards to roads, communities wished rural roads can accommodate high loads of vehicles for agricultural product transportation, and the design of cultural houses should be decided by local communities instead of using sample typical design. Some of the visited communes in Dak Lak and Soc Trang had planned to build additional classrooms in the next phase of NRD program, however, none of them had these built in the previous phase.

²⁷ <http://www.soctrang.gov.vn/wps/portal/sotnmt/>

²⁸ <http://www.biogas.org.vn/vietnam/default.aspx>

Environmental Management under the NTP-NRD and NTP-SPR Program

101. For NTP PforR, National Coordination Office (NCO) under MARD, MOLISA and CEMA have been the coordinators of NTP-NRD and NTP-PSR. At provincial and district levels, the NRD Coordination offices are staffed with DARD Director and some officers from existing provincial authorities. At commune level, there is one staff specialised in NRD and agriculture.

102. MARD/MOLISA/ CEMA contracted specialists to prepare number of Program Handbooks and Guidelines, however, many of these were for internal circulation and use rather than officially issued. Review of these handbooks and guidelines found that environmental contents have been incorporated at limited level while there are gaps in the others as discussed below.

103. The 135 Program Handbook issued by CEMA in 2009 tend to give explanation to raise environmental awareness for program implementers, inform them about the potential impacts and risks, and introduce the approaches and measures applicable for addressing the informed potential environmental risks. The mitigation measures tend to be generic and applicable to production support activities only. This handbook does not cover issues related to infrastructure.

135 Program Handbook issued by CEMA in 2009

Chapter 6 included two sections explaining why and how environmental considerations should be included in projects:
 #29: if not "...the costs of environmental mitigation measures and diseases treatments in the future would be higher and higher, and difficult to reverse; the effectiveness and sustainability of agricultural production would be directly affected negatively

Environmental risks if Program 135 include erosion and soil degradation, drought and water shortage, chemical and pesticide pollution, crop/animal diseases, biodiversity degradation and loss of native knowledge; acid sulphate soil and salinity intrusion in the Mekong delta, sand blowing in the central coastal provinces

#30 Activities should be carried out:

- + CPC SEDP includes environmental considerations; carry out environmental screening for proposed investments
- + agricultural production models must follow clean production approach with least negative environmental impacts:
 - Do not cause degradation of forest (including mangroves, wave and wind protection forests), land and water resources
 - Encourage households to use less chemical fertilizers and pesticide, only use safe and reliable products
 - Use seedlings with known origin, avoid movements of crops and animals to areas having epidemic breaking out
 - Prioritize production models tested locally. Close monitoring, tests and evaluation should be applied to models using introduced species
 - Prioritize models applying local knowledge, clean production models
 - Incorporate environmental topic into training curriculums
 - Include terms related to biological safety in contracts with seed and seedling providers

104. The 135 Program Handbook for application at commune level in Phase 2 dated 2009 by CEMA (financed by UNDP, prepared by VICA consultant and the Handbook is available on website). This manual is applicable for both the production support and infrastructure. The book described in detail the steps of planning with focus on consultation, community participation with gender issues incorporated. Training, selection of consultants and contractors, monitoring and reporting, financial management were covered, however, environmental issues have not explicitly discussed in this Handbook. Particularly there is no discussion about environmental management under the guidance related to Economic-Technical reports (normally in which there is a environmental section), bidding documents/contracts (environmental terms and conditions should be included) although land acquisition and resettlement were mentioned in the Economic-Technical Appraisal Form (Annex 4 of the handbook), monitoring and reporting.

105. The Guidelines on the Implementation of Sustainable Poverty Reduction Program 135 during 2012-2015 prepared in by MOLISA contain number of government decisions guiding program implementation. The

Guidelines also cover a draft assessment on Project 1 (infrastructure with roads, irrigation works, markets, clinics, waste treatment facilities etc.) and Project 3 (poverty reduction, with typical models are sugar canes, silk worms, tobacco, tea, bamboo shoots; rabbits, fish, cow raising; handicrafts made of bamboos). The general lessons learnt were the roles of commune authority and voluntary participation of communities are critical to the success of each model. Among the issues noted, this guideline warned about changes of climate in recent years with increased frequency and intensity of drought, typhoon, flood, severe cold. This guideline also noted that living environment of ethnic minorities tend to be narrowed down due to natural resources have been exploited at too high rates that lead to exhaustion of natural resources. However, solutions or mitigation measures were not mentioned. For phase 2, the guidelines describe the steps to be followed for new investments at commune level, including general site selection criteria (“suitable, enough area, and accessible to necessary services”) but no specific environmental, technical criteria.

106. NRD Program Manual²⁹ shows environment has been set as criteria no. 17 of NRD (the rate of households having access to clean water, solid waste collection and treatment, cemetery arranged according to plan etc. Chapter 3 of the Manual provides guidance to carry out each step of investments under NRD, however, environmental management requirements and procedures have not been incorporated adequately into this manual.

NRD Manual – Steps of Investments

Step 1: Establish commune management board with responsibilities to: i) communicate with local communities about NRD; ii) being owners of NRD investments in the commune; iii) select the consultant to prepare Commune NRD Master Plan with community participatory approach.

Step 2: Carry out communication activities to inform community about NRD criteria, including criteria no. 17, environment through meetings and commune public speakers

Step 3: Carry out baseline survey and prepare Commune NRD Proposal. Survey team includes CPC and village leaders, representatives of CPC divisions. Baseline conditions shall be compared to NRD criteria, including environmental criteria, so as the investments required to meet NRD criteria will be determined. The draft list of investment shall be consulted with the commune people and with the Steering committee at district level. DPC appraise Commune NRD Plan based on advice from relevant divisions in DPC Office. Approved plan is disclosed at CPC Office and Cultural Centre. Technical Standard applicable to commune NRD infrastructure is shown below, with some environmental considerations included:

Step 4: Prepare Commune NRD Master Plan: A Commune NRD Master Plan shall include spatial and infrastructure planning, focusing on: i) residential areas and agricultural production areas for the next 10-15 years; ii) detail land use planning for commune center and centralized residential areas; iii) internal field irrigation and roads. The Master Plan shall be the basis for the development of sub-plans on production, infrastructure, cultural and environment.

1. Meetings conducted to get agreements among the commune leaders and local communities
2. Project Owner (CPC) lead the preparation of Master Plan - select consultant
3. Prepare TOR for Maser Plan preparation
4. The Consultant prepare the Master Plan including alternatives (CPC can do themselves or use consultant)
5. The consultant carry out consultation with local commune and authorities on the Master Plan, the Commune Boad facilitate consultation activities
6. The Consultant revise the Master Plan
7. CPC submit the Master Plan to the DPC for review and approval
8. DPC Chairman approves the Commune NRD Master Plan based on the advice of district DARD and DOIT, and provincial DARD and DOC.

Step 5: Implementation: One of the five main sources of financing for NRD is community contribution. For an investment being managed by CPC, an Economic-Technical Report (ETP) should be prepared by either CPC or the contracted consultants. ETP includes the names of the works, locations, size, construction duration, drawings and cost estimation. For investments being managed by DPC, the ETP must be prepared by a licensed consultant. The recruitment of consultants must be consulted with specialised district divisions and provincial departments.

²⁹ MARD prepared in 2010

Construction will be implemented by either: i) community; ii) groups or workers with adequate skills and expertise residing in the commune; contractors recruited through bidding

Step 6: Monitoring and Evaluation: Construction Monitoring board with up to 9 members will be established to monitor NRD construction in the commune. The Board members are nominated by local communities to :i) request the contractor to comply with contract terms and conditions; ii) verify BOQ for the works using government fund; and iii) sign off on acceptance notes. Monitoring board prepares quarterly report and submits to CPC and higher levels when required.

107. Environmental content in guidelines and manuals is limited due to the absence of a lack of one single document containing systematic regulations on rural environmental protection, under-law documents do not cover adequate guidance about rural environmental protection. Regulations are lack of connectivity and number of issues has not been covered as noted in the National Environmental Status Report 2014.

108. During the preparation of this PforR, Program Manuals have been being prepared for the Infrastructure and Production Support Components. It is expected that environmental aspects would be incorporated adequately into these manuals.

109. Environmental criteria under NRD have been among the three criteria that are most difficult to achieve. Many provinces had to issue guidelines and regulations in order to detail and simplify these criteria so as it is applicable. The northern mountain area has only 7.1% of communes meet environmental criteria while that rate in the southeastern area is 60.5%. The rate of communes that meet environmental criteria are low mainly due to: i) Budget allocation for investments to meet environmental criteria has normally be in lower priority than other socio-infrastructure criteria. ii) some sub-criteria are vague thus hard to follow, for example the criteria “the rate of businesses meet environmental standards” or “Cemeteries are developed following master plan” while in practice planning and development of cemeteries are not determined at commune level.

110. Rural roads have been top priority in NRD plans of all communes. Road construction has been implemented by communities or small contractors. Interviewed local authorities and community representatives are not aware of the environmental impacts related to road construction such as the implications related to filling materials, erosion potentials at slopes created. The beneficiaries have been looking forward to having sealed road for so long thus it is very easy for them to adapt to minor short term temporary environmental impacts during road construction. Due to limited awareness, they did not pay attention to health and safety issues during construction phase. As rural roads are designed to accommodate vehicles with limited loads, local authorities have been trying to control access of heavy load trucks to keep the road in good conditions. However, local communities have been not comfortable with these restrictions³⁰. According to a NCO Officer, recently the Government have been drafting a circular guiding the program implementors to reserve 6% of total budget for maintenance of infrastructures, however, some clarifications need to be made.

111. Some communes have plans to upgrade classrooms and they intend to use typical design issued by the Ministry of Education and Training, these typical designs basically meet quality and safety requirements, however, architectural design should also be paid attention to to provide added values for the works to be provided under the Program. Regarding cultural houses, some commune representatives reported that the house built in their commune were on donated land at locations not convenient for access thus not being properly maintained or effectively used. Some other commune people noticed that the size of the cultural house is large but functions were limited. They suggested that the locations and the design of future cultural houses should be selected and chosen by communities.

³⁰ This is common situation in almost all five communes visited during public consultations from 27-31 March 2017.

Environment Capacity and Performance

State Environmental Management Authority

112. One of the main weaknesses regarding compliance with the existing government environmental legislation identified during the preparation of previous PforR were the inadequate allocation of environmental management staff at state environmental management authorities. However, according to the provincial environmental status reports prepared for five years period 2011-2015, the situation has been likely gradually being improved. Environmental staffing reported in some provincial environmental status report 2011-2015 are presented in the table below.

Table 5 – Environmental Staffing in Some Provinces

Province	Environmental Staffing
Cao Bang	Environmental Protection Agency (EPA) has 27staff, of which 5 have master degree, 14 have B.Sc degrees. Environmental Monitoring Centre established in 2012 with 14 staff Environmental Police Force established with 26 staff Environmental Staff has been assigned at all district authorities, however their back ground are mostly on forestry or land management. At commune level, land administration officer are also in charge of environmental issues
Quảng Trị	EPA has 13 staff including eight having master degree and five having B.Sc degrees. Environmental Monitoring Centre established with 5 staff Environmental Police Force established in 2007 with 25 staff 9 out of 10 districts established Environmental Division, except the Con Co islano district although one staff has been assigned to be environmental officer At commune level, one staff has been assigned to be in charge of land administration and environmental management
Ha Giang	EPA has 9 staff including one having master degree and five having B.Sc environmental degrees. Proposals to established Environmental Monitoring Centre prepared and being finalised All 10 districts and one city established Environmental Division with one manager and one to two officers. Three districts do not have officers with environmental background. At commune level, one staff assigned in charge of land administration and environmental management Generally human resources have not met the needs.
Ninh Thuan	EPA has 23 staff , Environmental fund was established in 2013. Environmental Police Force has 20 staff 7 districts Environmental Division has 9 officers, At commune level, one staff assigned in charge of land administration and environmental management

113. Existing human resources at the implementing agencies is in adequate. Typically there are 7 to 9 staff at district DARD, each has to carry out multiple functions including those out of their expertise thus mistakes were made during the implementation of the program in the previous phase. While the manuals produced in the previous phase of the two NTPs did not include adequate environmental guidelines, the majority of program implementors at communes and district levels in the provinces visited during ESSA preparation considered that the environmental impacts of small scale infrastructures were minor, or even negligible. However, some commune representatives reported that they were suffered from dusts generated from big road construction projects. Therefore, guidelines would be important to help the program implementors/ beneficiaries to identify the potential impacts and monitor compliance. ECOP (Annex 5 of ESSA, and will be included in the manuals) would be sufficient to address this gap.

114. Generally due to limited resources, environmental monitoring and supervision at district and commune level has been limited, inspections have been carried out only when issues have been arisen or when there are complaints. Therefore, environmental performance during the construction phase of civil works depends on the oversight by the project owner, supervision by the construction supervisors, and the awareness and willingness of contractors. Communities have an important role to actively monitor the contractors the contractor's environmental performance in civil works.

Environmental training, awareness raising, community participation in environmental management

115. Local authorities such as the provincial departments such as DONRE or CPCs, and mass organizations such as the Farmers Association, Women Union, Youth union, Veteran association etc. have been active in engaging and mobilizing communities to take part in environmental campaigns and activities conducted in their localities.

116. In Ha Giang, environmental protection rules have been incorporated into village code of conducts, monthly cleaning up have been organized at commune level. These practices and activities have contributed to raising community environmental awareness. Environmental activities have been incorporated into various government programs such as NRD, Program 134. The province also have mobilized financial resource from various sources for afforestation and forest protection, each year 15,000 to 17,000 ha of forest have been planted/replanted. .

117. In Cao Bang, DONRE have coordinated with the women union, youth union, farmers association, trade union etc. to conduct communication campaigns and training activities. . Similar to Ha Giang, environmental issues have been incorporated into some village codes of conducts. In addition, the province has piloted the construction of two-compartment toilets, relocation of cattle and poultry cages out of residential house basements, construction of biogas etc.

118. Similar activities and approach on community participation in environmental management have been recorded in environmental reports of other provinces. Particularly in Quang tri, 317 women groups collecting garbage have been set up, 1963 youth volunteer groups on environmental management has been formed, the Farmer and Veteran associations have also established clubs and equips tools and contribute budget for garbage collection. .

- **Infrastructure**

119. The Commune People's Committees will be responsible for all aspects of commune-level investments including arrangements for surveying, detailed design, implementation, monitoring, operation and maintenance. They will also be responsible for ensuring the quality, impact and effectiveness of the investments. In some cases, local people are mobilised to carry out the work and monitored by the CPC and community. To address gaps in capacity to prepare documents and monitor implementation, consultants and contractors will be hired to carry out the works. For relative more complicated projects or where commune-level capacity is limited, District People's Committee will provide support with subproject preparation and implementation.

- **Production Support**

120. Agricultural sector has a well-setup network at local levels to provide technical support and advisory services for the farmers, such as plant protection, animal health care, agricultural extension promotion etc. The activities of these authorities have been supported by some movements initiated by some mass organisation such as farmers's association. Advice on safe and environmental friendly agricultural production practices have been part of the services that these authorities and mass organisations provided to the farmers. Below are some examples.

121. In Tam Ky (Quang Nam provinces), safe agricultural value-chain has become a tendency in recent years. The local authorities assign the Provincial Centre for Agricultural Technological Application and Transfer to be responsible for providing seedlings, the Plant Protection Centre provide guidance about safe cultivation, local authorities monitor and control production processes³¹.

³¹ Quang Nam NRD Program website

122. Vi Xuyen District of Ha Giang province has established Agricultural and Forestry Production Support Services Team with staff from DARD, animal health care centre, agricultural extension centre, etc. The team provided advice on feed processing methodologies, building of cages, fermentation etc. The team regularly monitor and provide advices for safe vegetable production models³².

123. Health and safety issues at small-scale enterprises are also subjected to monitoring and inspections by relevant authorities. The leader of Krông Pắc district in Dak Lak province confirmed that intersectoral inspections would be carried out on regular basis. That principle is applicable nation-wide and violation cases have been posted on the media. Particularly, a TV program titled “say no with dirty food” has been broadcasted regularly since Quarter II 2016.

Environment Key Findings Summary

124. The investments under the proposed NTP Program are expected to have many positive environmental and public health impacts in target areas as a result of access to improved infrastructures and environmental services, as well as connectivity. The benefited communities would have safer and better access to basic infrastructure, their living conditions would be improved. Participatory planning approaches, embedded in this Program’s design, would also help to empower communities. The Program will also support important improvements to implement environmental aspects of the government program.

125. In term of negative impacts/risks, the overall rating is moderate, taking into account a number of aspects including the scale and typology of investments, existing legal systems, environmental management capacity and experience of the implementing agencies, the adequacy of environmental contents in the available handbooks and manuals. The potential adverse effects are at moderate level, generally well known and understood by the implementing authorities.

126. There are a number of protected areas in the country such as national parks, nature reserves, conservation areas in which there are communities living within. Interventions, if any, in to such areas may lead to potential significant adverse environmental impacts. The Program will exclude the locations in these protected areas and as a result, no significant impacts to these critical natural habitats or cultural resource assets are expected. The geographic footprint, scale, and volume of facilities constructed under the Program will be small and therefore any adverse impacts are expected to be limited, localized and mitigable. These potential adverse impacts would be mitigated further or minimised by the known mitigation measures. The activities that the Bank would not finance (e.g. tobacco production, trading, production of wine, beer etc.) will not be included in the program;

127. Therefore, the anticipated adverse environmental effects of the investments provided under this Program are not expected to be significant considering: (a) the small scale of physical investments; (b) that the proposed works would take place in or very close to established villages; (c) the limited geographic footprint of planned works; and (d) that mitigation measures are known, including principally that proper care and oversight is undertaken during construction.

128. Potential adverse environmental effects of Program activities include construction related impacts such as dust, noise, generation of solid/construction waste or relative small quantity of dredging material from construction sites, loss of vegetation cover at construction sites, increased erosion risks at walls/slopes created, construction waste generation, social disturbance due to construction activities, safety risks for the public and worker safety issues. These potential adverse effects are generally well known and understood by the implementing authorities. It is expected that these effects will be manageable with known mitigation measures introduced into this program in the form of ECOPs (Environmental Codes of Practices). With regards to

³² Ha Giang NRD Program website

agricultural production and livelihood support, the main concerns would be pollution risks related to usage and disposal of agrochemicals (pesticide and fertilizer) and packaging materials; generation of waste, wastewater and by-products during the operation and post-harvest related to production support (cultivation, animal raising, crops, etc.). The potential adverse effects are also generally well known and understood by the implementing authorities. It is expected that these effects will be manageable with well-established mitigation measures being applied in agricultural practices in the country since early 1990s such as IPM, VietGAP (Vietnamese Good Agricultural Practices) or “three reduction, three increases” movement.

129. The country has adequate legal system for environmental management. The revised Law on Environmental Protection (LEP) 2014, the Decree 18/2015/ND-CP and Circular 27/2014/TT-BTNMT set out relative comprehensive environmental management framework for infrastructure projects. Environmental management is also supported by related laws such as the Labour Law, The Workplace Health and Safety Law, the Aquaculture and Fishery Law, the Plant Protection and Quarantine Law, the Animal Health Care Law etc. MONRE and MARD are the key state environmental management authorities in rural and agricultural sector. Their activities have been supported by their networks at province, district and commune levels. Decree 18/2015/ND-CP and Circular 27/2014/TT-BTNMT (guiding the implementation of the Environmental Law) requires Environmental Impact Assessment (EIA) or Environmental Protection Plans (EPP) be prepared for investment projects. It is not likely that any of the investments would be required to prepare full EIAs as these will be mostly small-scale and/or community-based with limited potential impacts and risks.

130. The preparation and implementation of small-scale infrastructure, mostly at commune level, has been and would be decentralized to district and commune levels. However, local level environmental management capacity is limited due to limited resources are available. Staffing for environmental management has been limited in both numbers and qualifications, environmental staff at commune level normally have to carry out various functions thus environmental monitoring and supervision has been limited to the cases issues have arisen or when there are complaints. Therefore, while the impacts and risks are limited, environmental performance of small civil works have been dependent on the limited capacity and environmental awareness of project owner and implementers. Manuals with adequate environmental guidelines including community monitoring and participation would be needed to enhance environmental performance of small investments under the PforR. The draft environmental guidelines for Manuals are provided in Annex 5 of this ESSA.

131. Related to production support under the PforR, the related environmental impacts and food security would be managed by the existing network of agricultural sector at provincial, district and commune levels such as the plant protection, agricultural extension in coordination with mass organisation such as farmers association.

132. Number of sectoral guidelines with environmental aspects incorporated has been issued by rural sectoral management authorities such as MARD. However, program handbooks prepared during the previous phase of NTP have not incorporated adequately environmental guidelines thus the incorporation of environmental considerations into program implementation have been limited. The harmonised manuals should incorporate adequately environmental guidelines (recommended in Annex 5 of this ESSA) so as program implementers at local level can follow.

133. Local authorities and mass organizations such as the Women union, Farmer association, Youth Union and commune leaders have been active and play important roles in engaging community in environmental awareness raising and activities.

Program Social Management System

Social Context

134. Vietnam has achieved high rates of sustained economic growth over the past 20 years. Between 1990 and 2010, real Gross Domestic Product (GDP) grew at an average annual rate of 7.4 percent—among the world's top five growth performance records over the same period. Meanwhile, the percentage of the population living below the poverty line decreased from 58 percent in 1993 to 15 percent in 2008. Vietnam joined the World Trade Organization (WTO) in 2007, and trade and foreign direct investment have grown significantly in the last 10 years. In 2011, GDP per capita reached an estimated US\$1,362 at market rates, confirming Vietnam's recently rated status as a lower middle-income country. While economic growth and poverty reduction in Vietnam over the last two decades has been remarkable, not all the regions have benefitted equally.

135. Poverty, and extreme poverty rates are higher in regions having high density of ethnic minority people. The highest poverty rate in the country is registered in the Northern Mountains region. Over the last decade in Vietnam, this region has experienced less poverty reduction when compared with others. Since 1999, the Northern Mountains region has had the lowest income per capita in the country³³. Causes of poverty among the majority of poor Ethnic Minorities (EMs) continues to be related to their settlements in remote areas, landholdings in less productive upland regions, with a major income source from agriculture and associated activities. In order to reduce poverty, recommendations have included to enhance occupational and geographic mobility of labor, quality improvement of the public services (education and health) provision addressing rural areas particularly in those where EM groups are settled (WB 2012). General EMs poverty socioeconomic indicators are shared by those of other poorest non EM groups (WB 2012).

136. In Vietnam, there are eight groups of EMs having a population of around one million (Tay, Thai, Muong, Khmer, Mong, Nung, Hoa and Dao), and fifteen groups have a population range between few hundreds to less than thousand peoples. The annual growth of the different groups vary, with the smaller groups growing at 4%, and others confronting a decrease of population (Gie Trieng, Chut, La Hu, La Ha, Cao Lao, and Mang) (MDRI, 2014). Large EM groups such as, the Hoa, Tay Thai, the Muong and the Nung have better living standards regarding housing, access to basic infrastructure showing a substantial improvement in the last decade, whereas some small groups register a dramatic decline rather than improvement (Bo Y, Phu, Brau and Si), in the same period. In sum, less advantaged EM groups are scattered over mountainous and isolated areas while development studies have mainly concluded and documented data over 44 out of the 53 EM groups (MDRI, 2014), with limited information for the remaining groups.

137. The proposed Program will be implemented in 18 provinces with a wide range of geographical regions. Its proposed development objective is to improve the planning, delivery, and access of agricultural productivity investments and rural livelihoods under the National Targeted Programs for New Rural Development (NRD) and Program 135 of the National Target Program for Sustainable Poverty Reduction (SPR). The focus of the PforR is therefore primarily directed to assisting Government to improve the governance, processes, planning, implementation, monitoring and evaluation of the NTP- NRD and P135 programs. Through efficiency gains, and an increased focus on investments supporting rural incomes, the PforR would address key issues that have constrained the impact of these programs in realizing their development objectives of poverty reduction.

³³ Government Statistics Office, Monthly average income per capita at current prices by residence and by region (2013)

Potential Program's Impacts/Risks

138. **Land Acquisition.** Although the Program supports relatively small rural infrastructures, land acquisition is unavoidable. Table 6 below presents the proposed investment infrastructures and its associated potential need for land acquisition.

Table 6 - Potential Land Acquisition Need

Category	Possible Infrastructure Investment	Possible Land Requirements
NRD		
Roads	village- level farm-to-market-roads, small bridges (fixed and suspension), foot paths and pathways,	Yes
Irrigation	small-scale gravity, pump and drip irrigation, shallow wells, small water impounding,	Yes
Fishery, aquaculture Infrastructure	village-level, small-scale fish landings, village-level small jetties,	Yes
Infrastructure to support post harvest	postharvest facilities (drying floors, small storage sheds, market facilities),	Yes
Crops/Livestock	plant nurseries, seed production facilities, tree planting, composting/organic fertilizer production, livestock breeding and distribution facilities, milking facilities, small-scale commodity processing equip. for village –level processing	Yes
P135		
Small infrastructures	Rural transportation (for production, trade and living) Electricity support (living, production and business) Radio broadcasting station, Cultural/community house Standardized health center School, standardized classroom Renovation/construction of small irrigation scheme Water supply schemes for local people Other small infrastructure proposed by community	Yes
Production support and livelihood diversification	Productive soil support (improvement, creation of terraced field)	Yes ³⁴
	Occupational and services support (factory/workshop)	

139. According to QCVN 14:2009/BXD, the typical land area required for some small rural infrastructures is presented in table 7 below.

Table 7 - Size/Capacity of typical rural small infrastructures³⁵

Items/infrastructures	Minimum Size/Capacity
School	
Kinder Garten	8m2/child (or 12m2/child in mountainous area)
Primary School	6m2/pupil (or 10m2 in mountainous area)
Secondary School	6m2/pupil (or 10m2 in mountainous area)
Commune Health center	>=500m2 (>=1000m2 if having medical herb garden)
Cultural house	>=150 seats
Sports complex	>=4000m2
Market	>=3500m2 (or 1500m2 in mountainous area)
Production Support Facilities	

³⁴ If the support targets to household level, then land acquisition impact would be zero as households may use their own land or purchase the required land at market/negotiated price.

³⁵ Rural planning standard – released in circular 31/2009/TT-BXD dated September 10, 2009

Harvest yard	35-45m ² /ha
Paddy Storage Shed	2-3m ² /tone
Seedling Storage Shed	1-1.5m ² /ha
Fertilizer Storage Shed	0.5-1m ² /ha
Veterinary Station	440-500m ²
Road	
District-commune, inter-commune, commune-village roads	Grade VI, 6.5 m wide (6m in mountainous area)
Village-field/production area roads	>=3m wide

140. Land acquisition impacts caused by the construction of proposed infrastructures under the proposed Program are likely to be very small. It is unlikely that a given households will be severely impacted (losing more than 10% of the total land holdings). Physical relocation would be minimal. In many cases, no land acquisition is required as the construction will be within either the existing premises of the institution or household. The number of affected/concerned households significantly depend on the nature of investment. Roads, irrigation schemes might have more affected households given its linear impacts. Below is an example on the magnitude of land acquisition impact in similar infrastructures in a Bank funded operation.

Table 8 - Examples on the Magnitude of Land Acquisition Impacts³⁶

Proposed Infrastructure in Kon Tum and Dak Nong provinces	Design	Affected area of land	Estimated AHs
Water supply scheme in Dak Chum II, Tu Mo Rong commune	Grade IV; Cement Concrete Dam; L=10.59m;	No	5
Wells in Nang Lon 3 village, Dak Sao commune	6 wells, 10-13m in depth	No	6
New internal road of O village, Ya Xier commune	Cement concrete L=350m, W=4m	1022 m ²	8
Rural road in Dak Blai village, Dak Rome	*Main road: cement concrete, W=3,0m,L=490,93m * N1 road: cement concrete, W=3,0m,L=110,47m	107 trees (including 65 rubber trees)	7
Rehabilitation of irrigation scheme in Ngoc Hoi district	Capacity - 15ha paddy and crops	1.567,6m ² (perennial trees) 2.885m ² (annual crops) and 134m ² of paddy field	9
New road to Gate 20' construction area, Dak Ha commune	Cement concrete, L = 400m	330	7
New road to production area of village 1, Dak Rmang commune	Cement concrete L=1374m	2000	5
New road to production area of village 1 and 4, Dak Rmang commune	Cement concrete, L=400m	50	4
New road to residential area of village 5, Dak Rmang commune	Cement concrete, L=300m	50	4
Road from Dak Nang to Bon D'Duong, Dak Som commune	Cement concrete, L=800m	1500	9
Road expansion in village 6, Thuan Ha commune	Cement concrete, L = 1.526m	2295	17
Road to connect E29.1 production area, Dak Moi commune	Cement concrete, L=300m	24	1
New irrigation schemes in Kdie village, Dak Nue commune (Lak district)	Cement concrete, L=300m	350	14

³⁶ Rural planning standard – released in cicurlar 31/2009/TT-BXD dated September 10, 2009

141. Given the above-marginal impact on land, there is a risk that local people are mobilized to donate their land in exchange for the project's benefits. Without proper management, this practice could be abused, resulting in the affected households not being fully informed about the Program as well as the compensation package that they are entitled to receive. This issue is more important as the proposed Program will cover the poorest regions of Vietnam with a strong presence of Ethnic Minority people.

142. **Financial and non-financial contribution.** Another typical character of NTPs is the mobilization of contribution (in cash and non-monetary forms) from community members in the program areas. This practice, which derives from a well-known principle namely, 'state and people do together', has been institutionalized in the NTPs implementation. It is very common that in all program related document, financial contribution of local people always constitute one of main financing sources. However, all program documents also stipulated that mobilizing financial or non-financial contribution from local people must be based on voluntary basis, taking into account socio-economic condition of each locality, ensuring the transparency and accountability³⁷. Although the detailed guidance has yet to be developed by MPI, guidance developed in 2010-2015 period clearly described some steps (e.g. village consultation meeting, prioritization exercise at local level) that could help to inform the above said principles. The different implementation arrangement of P135 and NRD resulted in different structure of contribution from local people. Under P135, eligible commune receives a block grant every year (approximately 1.3-1.6 billion VND) for production support, infrastructure etc. Subsequently, local people and authorities do the planning in any given year based on a known budget. Under NRD, the financial contribution of local people is estimated at 10% (excluding donation of land and other affected assets due to the infrastructure construction) of the program financing. In principle, communes in P30A will receive 100% funding for the approved activities, while other communes will receive only part of the financial package for infrastructure investments.

143. **Labor Management.** It seems that the size of labor force required for infrastructures supported under this PforR will be relatively small. On average, each contract may mobilize 5-7 workers coming from outside project area (e.g. from different district in the same province). The workers generally live in a rented house during the construction. Some of them may choose to return home after working hours. Those who live in the construction area are required to register their temporary residence with local police department. In general, the relationship between worker and local communities is well managed with no report on labor management related issues such as child labor, sexual harassment etc.

144. **Ethnic Minorities.** This Operation has specific target to poorer communities, thus it is certain that that it will be implemented in regions having presence of ethnic minority (EM) communities such as northeast, northern mountain, central highland and Mekong delta regions.

145. The Program challenge is how to maximize its accessibility and benefits in these lagging behind regions. Although Vietnam's 53 Ethnic Minority groups make up less than 15 percent of the population, they accounted for 47 percent of the poor in 2010, compared to only 29 percent a decade before. According to the Poverty Assessment 66.3 percent of Ethnic Minorities are poor, with poverty rates in their rural settlements steadily escalating (WB 2012). In addition, the Program area will entail many different ethnic groups, with differentiated cultural profiles and customary traditions. Therefore, the Program approach requires to be customized according to diversity across ethnic groups.

Table 9 - EM population in the proposed program provinces (GSO, 2009).

	Province	Largest ethnic group	Population size	Percentage of total province's population
1	Cao Bang		507,183	-
		<i>Kinh</i>	29,189	5.8%
		<i>Non-Kinh</i>	477,994	94.2%

³⁷ Decree No. 41/2016/QĐ-TTg dated October 10, 2016 on regulations managing national targeted programs.

	Province	Largest ethnic group	Population size	Percentage of total province's population
2	Lao Cai		614,595	-
		<i>Kinh</i>	212,528	35.0%
		<i>Non-Kinh</i>	402,067	65.4%
3	Ha Giang		724,537	-
		<i>Kinh</i>	95,969	13.2%
		<i>Non-Kinh</i>	628,568	86.8%
4	Bac Kan		293,826	-
		<i>Kinh</i>	39,280	13.4%
		<i>Non-Kinh</i>	254,546	86.6%
5	Dien Bien		490,306	-
		<i>Kinh</i>	90,323	18.4%
		<i>Non-Kinh</i>	399,983	81.6%
6	Lai Chau		370,502	-
		<i>Kinh</i>	56,630	15.3%
		<i>Non-Kinh</i>	313,872	84.7%
7	Quang Binh		844,893	-
		<i>Kinh</i>	824,466	97.6%
		<i>Non-Kinh</i>	20,427	2.4%
8	Quang Tri		598,324	-
		<i>Kinh</i>	528,888	88.4%
		<i>Non-Kinh</i>	69,436	11.6%
9	Thua Thien Hue		1,087,420	-
		<i>Kinh</i>	1,040,069	95.6%
		<i>Non-Kinh</i>	47,351	4.4%
10	Ha Tinh		1,227,038	-
		<i>Kinh</i>	1,224,869	99.8%
		<i>Non-Kinh</i>	2,169	0.2%
11	Quang Ngai		1,216,773	-
		<i>Kinh</i>	1,055,154	86.7%
		<i>Non-Kinh</i>	161,619	13.3%
12	Ninh Thuan		564,993	-
		<i>Kinh</i>	432,399	76.5%
		<i>Non-Kinh</i>	132,594	23.5%
13	Binh Thuan		564,993	-
		<i>Kinh</i>	432,399	76.5%
		<i>Non-Kinh</i>	132,594	23.5%
14	Kon Tum		430,133	-
		<i>Kinh</i>	201,153	46.8%
		<i>Non-Kinh</i>	228,980	53.2%
15	Soc Trang		1,292,853	-
		<i>Kinh</i>	830,508	64.2%
		<i>Non-Kinh</i>	462,345	35.8%
16	Tra Vinh		1,002,988	-
		<i>Kinh</i>	677,649	67.6%
		<i>Non-Kinh</i>	325,339	32.4%
17	Binh Dinh		1,486,460	-
		<i>Kinh</i>	1,451,913	97.7%
		<i>Non-Kinh</i>	34,547	2.3%
18	Dak Lak		1,629,789	-
		<i>Kinh</i>	1,148,807	70.5%
		<i>Non-Kinh</i>	480,982	29.5%

146. **Accountability/Participation.** Typically in infrastructure investments, the planning investment process follows a top-down approach, limiting the participation of local people in the planning processes (especially among EM people, although they are direct beneficiaries of the Programs). Experience shows that some infrastructures could not be fully operationalized due to insufficient consultation with local authorities and community members. In addition, within ethnic minority groups, low levels of literacy may prevent them from fully understanding the program activities, potential impacts and associated mitigation measures. This is partly due to the difficulties contacting and informing isolated communes, especially the elder ethnic minority people

147. **Institutional Risk.** Various stakeholders from central level downward will implement the proposed Program. Overall responsibility for the NTP-NRD and SPR and for reporting on the progress of the Programs to the National Assembly is that of the Ministry of Planning and Investment (MPI). Oversight of both the NTP-NRD and SPR would be through a Central Program Steering Committee (Central-PSC) chaired by the Deputy Prime Minister and with representatives from MPI, MOF, MOC the implementing Agencies (MARD, MOLISA and CEMA), as well as from other line ministries. The Central-PSC organization and functions are mirrored at Provincial, District and Commune level with Program Steering Committees Steering Committees. At provincial, district and commune levels, the PSCs are chaired by the Chairman of the Peoples Committee. The involvement of multiple agencies requires significant collaboration to avoid the inconsistent approach in dealing with social related impact and associated mitigation measures.

Social Management Systems

Land Acquisition

148. **Legal Framework:** In Vietnam, there is no specific regulation on land acquisition applicable exclusively to NTP NRD and P135 (under NTP SPR). The relevant law is the Land Law No. 45/2013/QH13 dated on November 29, 2013. There are a number of decrees guiding the implementation/application of the land law including:

- Decree No.43/2014/ND-CP dated May 15, 2014 providing guidance on detailed implementation of the Land Law 2013;
- Decree No. 44/2014/ND-CP dated 15 May 2014 providing regulations on land prices;
- Decree No. 47/2014/ND-CP dated 15 May 2014 on compensation, support, and resettlement when land acquisition is required by the State;
- Decree No. 104/2014/ND-CP date 14 November 2014 of the Government on the land price frame.
- Circular No. 36/2014/TT-BTNMT dated 30 June 2014, specifying detailed methods of valuation of land prices, construction, adjustment of land prices; specific land prices valuation and land prices valuation consulting service; and
- Circular No. 37/2014/TT-BTNMT dated 30 June 2014, providing detailed regulation compensation, assistance, and resettlement when the State acquires land.
- Decisions of PPCs in program provinces releasing the land price table, compensation rate for crop, structures, graves and supporting allowances.

149. **Institutional Arrangements.** In general, the land acquisition, compensation payment and resettlement implementation are always the responsibility of the Government, particularly at the provincial and district levels. The overall provisions are presented in the 2013 Land Law and its guiding decree as follows.

150. Ministries (or Ministerial Agencies), governmental agencies, corporations, companies (Investor) having project investment required land acquisition shall: (i) Direct, supervise, and inspect the compensation, support and resettlement; (ii) Coordinate with PPC and LFDO/LRO/CRSC³⁸ during the implementation; and (iii) Secure the budget for land acquisition, compensation and resettlement activities. MONRE is responsible for (i) directing,

³⁸ LFDO – Land Fund Development Organization; LRO – Land Registration Office; CRSC – Compensation, Resettlement, and Support Committee.

organizing, providing guidance, supervising, inspecting the implementation of land acquisition, compensation and resettlement policies; (ii) solving the emerged issues at the request of PPC.

151. The organizational arrangement at provincial level downward varies. The PPC is responsible for (i) directing the implementation of land acquisition, compensation, support and resettlement; and (ii) reporting to MONRE on the results of these activities before December 1st each year. The PPC may decide on: (i) recovery of land from organizations, religious establishments, overseas Vietnamese, diplomatic organizations, and foreign-invested enterprises (excluding the case of overseas Vietnamese who are eligible to own houses in Vietnam); (ii) recovery of agricultural land in the public land funds of communes, wards or townships. District People's Committee (DPC) may decide on recovery of land from households, individuals and communities, overseas Vietnamese (who are eligible to own houses in Vietnam). In case where the recovered area has both subjects earlier prescribed, PPC shall decide on the land recovery or delegate it to district-level People's Committees.

152. At district level, there are several agencies involved in land acquisition, compensation and resettlement process, including Compensation, Support and Resettlement Council (CSRC), LDFO and LRO. The Council might be established on a temporary basis depending on the land acquisition needs. Chaired by leader of DPC, members of this council come from various district units/department. Its main mandate is to review and appraise the compensation plan prepared by responsible organization. When completing its appraisal, this council will submit the compensation plan to DPC for final approval. LDFO and LRO are line departments DPC. Their main mandate is to prepare the compensation plan for any project having land acquisition requirement. Although in some location, this task is shared between LDFO and LRO depending on the complexity of the project, this task generally belongs to the responsibility of LDFO. At commune level, CPC shall coordinate with LDFO/LRO to implement land recovery plan, investigation, survey, measurement and inventory.

153. In the case of transport sector, usually, the responsible PMUs, investors sign contracts with the District's Compensation, Support, and Resettlement Committee (CSRC). The activities are conducted in accordance with the Government's regulations (e.g., planning, disclosing, approving or paying compensation). In this program, PPMUs will play key role in coordinating with local authority to perform the land acquisition, compensation and resettlement tasks

154. **Resettlement Arrangement.** According to the 2013 Land Law, local authorities (PPC, DPC) are responsible to develop and implement the resettlement plan prior to the actual land acquisition. The resettlement areas must meet the standard of basic infrastructure, construction quality as well as the specific conditions, customs and practices of the locality. Land acquisition can only occur when the resettlement project is completed. Relocation plan must be disclosed at the CPC's office at least 15 days prior to the approval of relocation plan. Resettlement options include (i) on-site resettlement – if the remaining land allows; (ii) and resettlement in concentrated area. In the allocation of resettlement plots, priority will be given to DPs who timely handover the land to investor. In the case where the compensation/allowance package is insufficient to buy the minimum resettlement plot, local authority will provide DPs with the cash support equivalent to the difference gap.

155. **Income rehabilitation.** The 2013 Land Law and its guiding decrees have provided a number of allowances and support in order to help affected households to stabilize their life following project impacts. The allowances/support may include assistance for life stabilization, relocation transportation, income restoration, and training for new job skills. In addition, special attention is paid to poor households, who will receive special assistance through a subsistence allowance for a long period. The households eligible to receive the regular government allowance under the social policy will also receive a special allowance if they are affected by a project.

156. **Voluntary donation:** According to the 2013 Land Law, donating land use right, which is defined as one of the transaction forms is the legally recognized right of land users (as stipulated in article 167, 174, and 179). Donating contract must be certified by competent entities or by commune people's committee and must be

registered at land registration offices. Land users are entitled to donating right as long as they meet the following criteria: (i) having LURC (except the cases defined in clause 3, article 186 and clause 1, article 168 of the 2013 Land Law); (ii) dispute-free; (iii) not under distraintment for the judgment enforcement; (iv) having a valid land use term. In addition, to meet the land donation criteria, land user must satisfy the conditions defined in articles 189-194 of the 2013 Land Law. Regarding administrative procedure, clause 3, article 79 of decree 43/2014/ND-CP stipulates that in case where land users wish donating land for the purpose of public facilities construction, donation documents must be established in accordance to regulations. Once completing the construction of the given public facilities, Land Registration Office bases on donation documents (certified by CPCs) and actual use of land to measure and update the change in cadastral dossier, land administration database and to request land users submitting their LURC for revision. If the land user donates the whole area, then LURC will be confiscated for further management. The provisions stipulated in the 2013 Land Law generally reflect principles of informed consent and power of choice. However enforcement is needed during the program implementation to ensure that all provisions will be properly implemented.

157. **People's participation.** During the land acquisition process, the legal framework mainly focuses on consultation during planning (consultation on the draft plan for compensation, support and resettlement and plan for training, career change and facilitating job searching); information sharing and disclosure. Citizens are allowed to supervise and report on breaches in land use and management on their own (or through representative organizations), including land recovery, compensation, support and resettlement (Article 199, Land Law 2013).

158. **Grievance Redress Mechanism (GRM):** The legal framework on complaints and denunciations is mainly based on the 2011 Law on Complaints (Law 02/2011/QH13) and the 2011 Law on Denunciations (Law 03/2011/QH13). The implementation of these laws is respectively guided by decree No. 75/2012/ND-CP and No. 76/2012/ND-CP all dated October 3, 2012. Land related complaints/denunciations are also regulated under these laws (as stipulated in article 204, 205 of the 2013 Land Law). Complaints on any aspects including safeguard related to NTPs, including NRD and SPR will be regulated by these regulations. The complaint procedure is described in article 7 of the Law on Complaint with the following provisions:

- Complaints must be lodged within 90 days after the reception (the awareness) of the administrative decision/act;
- Complainants may initiate administrative lawsuits at courts at any time during the complaint-settling process. Community members usually raise their complaints/concerns via commune people's committee or village heads. Local authorities often try to solve the complaints/concern via additional consultation meetings prior to official lodging.
- Complainants may complain with the person issuing the administrative decision or with the organization managing the official/employee who has performed the administrative act.
- For administrative decision/act of Minister (or equivalent agencies), complainants may complain with Minister or initiate administrative lawsuit at courts. In case of disagreement with complaint resolution decision of Minister or having no official response within the allowable timeline, complainants may initiate administrative lawsuits at courts.
- For administrative decision/act of Chairperson of Provincial/City's People Committee, complainants may complain with the Chairperson or initiate administrative lawsuit at courts. In case of disagreement with complaint resolution decision of the Chairperson, complainants may complaint with line ministries or may initiate administrative lawsuits at courts. In case of disagreement with complaint resolution decision of Minister or having no official response within the allowable timeline, complainants may initiate administrative lawsuits at courts.

159. The denunciation procedures are described in article 18, 20 and 21 of the Law on Denunciations with the following steps: (i) receiving and handling denunciation information; (ii) verifying the denunciation contents; (iii) Making conclusion on the denunciation contents; (iv) handling the decision on the denounced contents; (v) Disclosing the conclusion on the denunciation contents and illegal act-handling decisions. The time limit for

settling a denunciation is 60 days from the date of receiving such settlement. For complicated case, such time may be longer, but must not exceed 150 days.

Ethnic Minorities

160. **Legal framework:** Vietnam has a relatively appropriate legal framework for Ethnic Minority affairs. At the constitutional level, article 5 of the 2013 Constitution confirms: (a) the equality of all Ethnicities living in the territory of Vietnam; (b) prohibition against discriminated behaviors; (c) rights of Ethnic Minority people toward their languages, scripts, traditional culture and custom; and (d) comprehensive policies of Vietnam to enable the development of Ethnic Minority areas. The principles when promulgating Ethnic Minority policies are: (a) equality and solidarity among all Ethnic Minorities; and (b) mutual support for progress.

161. To date, decree No. 05/2011/ND-CP dated January 14, 2011 on Ethnic Minority affairs is the highest legal document. This decree stipulates the ethnic policies on: (a) resource investment and use; (b) sustainable development; (c) education and training; (d) Ethnic Minority human resource; (e) policies for the prestige of Ethnic Minority people; (f) culture development and preservation; (g) sport and tourism development; (h) health and population policies; (i) information and communication; (j) legal support and education; (k) environment and ecology protection; and (l) security and national defense policies. The Prime Minister has also approved the project “Cultural Preservation and Development of Ethnic Minorities in Vietnam toward 2020” with an estimated budget of 1.512 billion VND;³⁹ and the Ethnic Minority strategy to 2020.⁴⁰

162. In addition to the above umbrella policies, there are many other policies that grant preferential treatment for Ethnic Minority people in the areas of tertiary education admission and the provision of special subsidies such as for cooking oil, kerosene, and iodized salt. There are two major programs (P135 and 30a) aiming at addressing poverty in areas where EMs are settled, focused on ensuring the communities inclusion and providing them livelihood assistances.

163. Program 135-III, together with two previous periods (Period 1 from 1999 to 2005; Period 2 from 2006 to 2010), is one of the largest poverty reduction programs of Government of Vietnam. The objective of the Program is to promote socio-economic development for particularly disadvantaged areas, where a high proportion of EMs reside. The Program changes across the timeline, but basically comprises of 4 components, in which there always has one component of production support (since 2013, before Decision 551 of Prime Minister approved Program 135 Period 2013-2015 and Period 2016-2020, there is no inclusion of production support component). Program 30a is named after the Resolution 30a in 2008 for 61 poorest communes in the country (afterthat, it was 62 poor communes because one commune was split into 2 new communes). Similar to the Program 135, the beneficiaries are mainly EMs (roughly 90%). Therefore, more than 85% of communes in P135 are also communes within 62 poorest districts of the country under Program 30a. The program focuses on four main categories of policies and solutions: (1) Support production, employment and improve income; (2) Education and training policy; (3) Staff policy for poor districts; (4) Policies and mechanisms of infrastructure investment in villages, communes and districts. However, the process of implementing the Program 30a faced many difficulties due to limited budget. In recent 1-2 years, 30a districts receives only 15% of the total planned investment and the money was mainly disbursed for development of essential infrastructure. In 2016-2020 period, P135 was approved as part of national target program for sustainable poverty reduction in decision 1722/QĐ-TTg dated September 2, 2016. The program consists of three subprojects, focusing on (i) infrastructure development in extremely difficult communes; (ii) production support, livelihood diversification, and poverty reduction model replication; and (iii) capacity building for community and officers working in difficult communes.

³⁹ For more detail, refer to decision No. 1270/QĐ-TTg dated on July 27 2011.

⁴⁰ For more detail, refer to decision No. 449/QĐ-TTg date on March 12, 2013

164. The GoV, along with foreign development partners and many NGOs have provided assistance programs/projects that target Ethnic Minorities. The GoV has a long trajectory of development investments among the EM groups aimed at support for them to “catch-up” with the rest of lowland areas. According to the government policy, proposed projects affecting land, environment, or the life of Ethnic Minority communities, should disclose information and consultations carried out with representatives of the local authorities, to ensure that the investment ensures their better life conditions, in a culturally appropriate manner (article 9, decree 05/2011/ND-CP), with specific provision in the case of involuntary resettlement.

165. ***Institutional arrangements.*** Central Committee for Ethnic Minority Affairs (CEMA) is the governmental institution at Ministerial level established to address the ethnic affairs in the country. The government has also defined the organizational structure, competences and resources for both central and decentralized governments working with EMs affairs. Ministries and other governmental agencies which coordinate with the Committee for Ethnic Minorities Affairs (CEMA), are entitled for the following activities:

- Implement the State's policy on Ethnic Minorities as per Laws and is defined by a number of Decrees;
- Elaborate annual plans and programs and define institutional arrangements for implementation among EMs;
- Elaborate local policies, and prioritize programs and projects for EMs, in areas confronting socio-economic constraints and difficulties;
- Elaborate EMs reports on development investment and results in their localities, for CEMA convey the reporting to the Prime Minister.

166. At Provincial level, an Office of the Provincial People Committee is established to undertake EM development needs when at least two of the following conditions are met: (i) People live in village or community account for more than 20,000; (ii) 5,000 Ethnic EMs People needing the State's support and attention account more than 5000; (iii) EMs people living in border areas with an exchange between EMs in and neighboring countries.

Information Disclosure, Consultation and Participation

167. ***Legal framework:*** Vietnam has relatively good legal framework on access to information and disclosure. These rights of citizen have been reflected in the 2013 Constitution as well as in specialized Laws and its associated guiding decrees.

- On access to information, the 2013 Constitution confirms that Vietnam is a state 'of the people, for the people and by the people' in which 'people know, discuss, execute and examine'.⁴¹ This constitution also describes the rights of citizens, including “freedom of speech, access to information, association, protest”⁴². To operationalize this, on June 20, 2012, the National Assembly enacted Law No. 14/2012/QH13 on dissemination and education of legal documents. Detailed implementation of this Law has been specified in Decree No. 28/2013 / ND-CP of April 4, 2013.
- On information disclosure, specific provisions were detailed in the grassroots democracy Decree No. 29/1998/ND-CP dated (May 1998), later supplemented by Decree No. 79/2003/ND-CP dated July 7, 2003. The implementation of these Decrees allowed the local communes participation. However, inconsistencies throughout the country are evident. These decrees have been replaced by the grassroots democracy ordinance No 34/2007/PL-UBTVQH11 dated April 20, 2007, which characterized citizen's rights, including right to know; to discuss and decide; to voice; and to monitor development interventions. The information disclosure requirements are also reflected in other specialized Laws. The Environment Protection Law specifically regulates which relevant agencies must disclose environmental information in the forms of books and bulletins and through newspapers and web sites. The 2013 Land Law stipulates

⁴¹ Article 2, 2013 Constitution.

⁴² Article 25, 2013 Constitution

the minimum number of days prior to which affected households must receive land acquisition notification (90 days for agricultural land and 180 days for residential land). Compensation and resettlement plan are also subject to public disclosure within at minimum 20 days.

- Similar to the right of access to information, participation and consultation are also citizens' rights as stated in the 2013 Constitution. Citizens are allowed to participate in social and state management, and to discuss and provide recommendations to competent agencies on the relevant issues in their locality and in Vietnam.⁴³ The State is responsible for creating the necessary conditions to enable the execution of these rights. The 2013 Land Law and its guiding documents are designed to ensure people's participation in making decisions about land management, particularly relating to land use planning in order to ensure the principle of "democracy and transparency." The current legislation also specifies the approach for organizing public consultation at the local level. The Environmental Protection Law and regulation decrees guide the execution of public consultation – including the role of the People's Committees of communes, wards and towns in the formulation, evaluation and implementation responsibilities and in supervising compliance with the environmental impact assessment (Article 18, 21 and 23).

168. Both NTP NRD and NTP SPR have specific guidance on consultation process and how to maximize the participation of local people in investment cycles. In 2010-2015 period, the disclosure requirements were regulated by decision no. 135/2009/QD-TTg of the Prime Minister. This document required that managing agencies at central level are responsible for disclosing information about their programs, including (i) scope and content of the program; (ii) approved plan and annual estimated budget plan; (iii) criteria and cost norm in financial allocation; (iv) implementation and financial report; (v) monitoring and evaluation report of project under NTPs; (vi) inspection report on violations, corruption of officials, staff involved in managing and implementing program; (vii) independent audit report; (viii) documents related to NTPs; and (ix) feedback/comments of community people. Affected community people are entitled in the NTP to the following: (a) to access to information related to the program/project (guidelines, policies, priorities, etc.); (b) to provide comments for program and sub-projects; (c) to supervision (social oversight) of civil works and activities in the locality; and (d) to coordinate with investors to determine ownership, beneficial or use of the communities to public service facilities. For 2015-2020 period, in general, the disclosure requirements remain the same as previous one. However, the latest decision (decision No. 41/2016/QD-TTg⁴⁴) has introduced two contents to be disclosed, including legal documents regulating NTPs and investment decision of NTPs in each period. This decision also provided more detailed guidance on channels that implementing agencies could use for disclosure (documents, portal, and mass media). All related contents must be disclosed within 30 working day after having approval of competent agency.

169. Consultation is also required in the NRD implementation according to which NRD proposal for any given year must be consulted with local people and other relevant stakeholders. NRD proposal must be disclosed at CPC's office and transferred to heads of villages, so that the latter can convene a consultation meeting with all villagers. The consultation timeframe is 15 days after the public disclosure of the draft program. In Ha Giang, implementing agency has issued a specific guidance on the participatory planning process in NRD. Among others, the guidance stipulated that village meeting would not be possible without having a minimum participation of 80% households living in the village. Women participants are strongly recommended and encouraged⁴⁵.

⁴³ Article 28, 2013 Constitution

⁴⁴ Decision 41/2016/QD-TTg dated October 10, 2016 on regulations for NTP management and implementation (article 15).

⁴⁵ Guidance on Participatory Planning Process in NRD implementation, Ha Giang Provincial NRD Coordination Office, Ha Giang 2014.

Program Social Capacity and Performance

Land Acquisition

170. Since the program will support only productive/commercial (for NTP-NRD) and small basic (for NTP-SPR) infrastructures, the magnitude of land acquisition impact is expected to be minor. Through the discussion with implementing agencies in Ha Giang and Quang Ngai, it is clear that implementing agencies are making efforts to minimize the impact on land when constructing infrastructures funded under NTP-NRD and NTP-SPR. Local authorities tend to prioritize the use of public vacant land (usually managed by the local authority) or agricultural land. For investments requiring land acquisition by households, PPCs have mobilized the independent land appraiser and allocated compensation budget.

171. However, the arrangement for land acquisition/compensation is different in NRD and SPR. By default, all land affected in a NRD investment is supposed to be donated by local people (no budget for compensation), while under SPR, compensation fund might be allocated for land acquisition activities. The guiding document of NRD NTP clearly stated that ‘encourage people, communities to voluntary donate land for the construction of socio-economic infrastructure in the locality. Minimize the use of state budget for land acquisition to develop socio-economic infrastructure in the commune (article 10)⁴⁶. In Ha Giang and Quang Ngai, the ESSA team found that in general, the land acquisition task for investments under NTPs is assigned to the Commune People’s Committee (CPC). Having no budget allocated to this task, CPCs usually call for donations from affected households. In the 2010-2015 period, it was reported that local people have donated 20,000 m² (in Son Mua commune, Son Tay district) and 10,000m² (in Minh Son commune, Bac Me district) of land for the NRD implementation in those communes. In particular, there is one household in Quang Minh commune who have donated more than 1000m² of productive and residential land for road construction⁴⁷. In Tuyen Quang, the total area of donated land in 2010-2014 period was 41,840 m² and the average donated area per household is 300m². In Tuyen Quang, it is also noted that there is household who donated more than 2000m² of land for NRD implementation⁴⁸. This approach seems workable because the impact is generally minor (compared to the total land holding of a household) and the local community is ready to exchange the land for the potential benefits of having access to basic social services. The donated households/individual may be eligible for recognition/reward of government at different level from central downward, recognizing their contribution (in terms of land donation) to the development of new rural areas⁴⁹.

172. There have been a very limited number of complaints relating to resettlement under NRD and SPR programs to date. This is a good outcome as compensation issues are usually very complicated in infrastructure development project. Findings of a recent survey carried out at national level indicated that over 80 percent respondents had some degree of dissatisfaction regarding prices applied to resettlement, compensation and allowance (World Bank, 2011).⁵⁰ Before the 2013 Land Law became effective, the compensation rate generally fell within the pre-defined framework released annually by the Provincial authority. There is little evidence that compensation rates are ever adjusted after the initial decision has been made, which suggests that the complaints mechanism is limited in its effectiveness.

⁴⁶ Inter-ministerial circular no 26/2011/TTLT-BNNPTNT-BKHDT-BTC dated April 13, 2011 on the implementation guidance of NRD NTP approved in decision No 800/QD-TTg of the Prime Minister.

⁴⁷ <http://www.baohangiang.vn/hoc-tap-theo-bac/201611/hien-tren-1000m2-dat-lam-duong-xay-dung-nong-thon-moi-689184/>

⁴⁸ <http://www.baotuyenquang.com.vn/xay-dung-nong-thon-moi/be-tong-hoa-duong-giao-thong-nong-thon-thanh-tuu-tu-y-dang-long-dan-56900.html>

⁴⁹ Document no 471/HD-BTDKT dated April 3, 2014, providing guidance on the reward to collectivity/individuals having significant contribution to NRD implementation.

⁵⁰ For more detail discussion, please refer to: The World Bank (2011), Compulsory Land Acquisition and Voluntary Land Conversion in Vietnam: The conceptual approach, land valuation and grievance redress mechanism, Ha Noi 2011.

173. In general, the assessment indicated a general consistency between the government system on land acquisition/compensation and relevant PforR principles (refer to Annex 3 for details). However, it is necessary to pay particular attention to the land donation practices and the achievement of replacement principle of offered compensation packages. While the expected level of land acquisition under the Program is small, it is nonetheless necessary to make sure that affected households receive compensation at full replacement cost for their losses due to land acquisition and affected assets. The main challenge is to ensure that the compensation rates used adhere to the national provision that they should reflect market value. In addition, the resettlement package should also identify any other measures beyond compensation payments that may be needed to ensure no one is worse off as a result of the sub-project. The Program will need to ensure that mitigation of such impacts is fully documented and that full compensation is paid to Program affected people.

174. The following gaps and weaknesses have been identified in the government's land acquisition system.

- First, the 2013 Land Law became effective on July 1, 2014 according to which compensation rate will be defined at the time of performing land acquisition. However, the rate will be based on the price table established by the PPC applicable in a five-year period. During the implementation, independent land valuers can be used to determine land prices, which will be reviewed by the land appraisal board before official approval by PPC. This provision could be considered as an evidence indicating that the Vietnam's legal system is approaching the Bank's principle to assist the affected people in improving, or at the minimum restoring, their livelihoods and living standards. However, during the program implementation, close watch is needed, as this new land law has not gone through the whole cycle yet, especially in provinces where compensation rate still comes from provincial table price.
- Second, while the law calls for aspects of livelihood and income to be taken in to account, the application of this principle is not uniform. Payments which are largely only based on direct compensation for affected assets are delivered as a single payment to affected people without careful consideration of the longer term impact of livelihood and income losses. While the intention is for affected people to enjoy a better (or at least equal) standard of living, there is rarely if ever, any additional support, programs or assistance for this, nor is it monitored.
- Third, to be eligible for compensation for the land, affected people must be in possession of a land use rights certificate. According to the Law and its guiding decree, those who do not have land use deeds, depending on the legal status, may not be eligible for full land and attached assets compensation.
- Fourth, the local authority may encourage community members to donate land for small rural infrastructure. This tendency is even more visible in this proposed Program as it is expected that local authorities will arrange the compensation budget. While the land donation in small rural infrastructure is generally acceptable, without a proper management, this practice could be abused and the related households may not be fully informed about the Program as well as the compensation package that they are supposed to receive. This issue is particularly important, as the proposed PforR will be implemented mainly in rural area of Vietnam, including two of the poorest regions with intensive presence of Ethnic Minority people. The abuse of land donation request may lead to *forced donation* of land (rather than *voluntary*) and worsen the life of poor Ethnic Minority people.
- Fifth, in many cases, land donation is a default option and all negotiation activities (if any) are conducted to make this practice happened. The practices are being done without having a proper understanding of donated HHs, so that implementing agencies might not have the full picture on how the donated land will affected the concerned HHs, especially from livelihood perspective. In addition, the land donation practices are rarely presented in the program reporting system. In the visited provinces, this information was poorly presented in some progress reports at commune level. Follow-up activities (e.g. LURC revision) after donation are nearly absent. This become more important, especially for those who donate residential and/or productive land.

- Sixth, in a recent assessment of the 2013 Land Law implementation⁵¹, a number of issues that affect land acquisition and compensation processes were identified, including (i) conversion of agricultural land to other purposes – required approval of Prime Minister (more than 10ha agricultural land or 20ha protective forest land) or Provincial People’s Council (less than 10ha agricultural land or 20ha protective forest land); (ii) inconsistent guidance in compensation for land and investment cost into land – referring to both Decree 47/2014/ND-CP and Decree 197/2004/ND-CP, which was expired and replaced by the former; (iii) inconsistent application in identifying the level of support for job changing and livelihood stabilization; (iv) land price is identified using different methodologies and the capacity of land appraiser is still very limited.
- Seventh, although the GRM is clearly defined by law, its mechanism at community level has not fully described in the current regulation. Village headers and/or designated officers at CPC are usually the most frequented intake for complaint/grievance submission of community members. This process has not been clearly discussed and properly tracked and reported during project/program implementation.
- Finally, there are no specific regulations to guide land acquisition procedures for cases of resettlement impacting on Ethnic Minority people although the recently approved new Land Law has a provision in ensuring that Ethnic Minorities have land for living and agricultural production (if needed) after land acquisition.

Financial/(non) financial contribution

175. As mentioned elsewhere, in the program document, the level of contribution from local people is expected at 10% of the total investment. In general, the determination of the contributions from the citizens must apply democratic process that ensures the participation and wide consensus among contributors. The contribution level shall be based on a voluntary basis and align with the conditions of the people. Mobilizing disadvantaged households (such as poor, EM household) and individuals to contribute is strictly forbidden. However, in reality, numerous cases in which local governments revealing their impatience in speeding up the achievement of New Rural status and violating existing laws on mobilizing people’s contribution have been recently exposed. Poor and difficult households were also requested to contribute to the NTP-NRD⁵². The below table presents the level of support from state budget as well as expected contribution for various activities supported under NRD.

176. The contribution from local people sometime exceeded 10% as regulated in program management documents. For example, according to the report of Vi Xuyen district (Ha Giang), the total budget for NRD in 2010-2015 period is VND 120 billion of which 21% (VND 25.3 billion) has been mobilized from community. In Muong Khuong district, although the contribution from people accounted for 9.4% of overall program budget (2014 data), their contribution to specific program item is significantly higher (for instance 24.5% for transport investment, 29% for inter-villages road; and 63.1% for village roads). For commune level infrastructure (cultural community house), the contribution level could reach 70-87% the budget of the proposed investments as shown in the case of Ban Lau commune. It is also worth to note that contribution in the form of labor and land is not part of the estimation. The media has recently exposed multiple cases among several regions across the country where the negligence or infringements of local authorities resulted in significant pressure on poorer households to adhere to the required land and labour contributions, or forced contributions that exceed the affordability of affected people. On this regard, the Prime Minister has issued a document in November 2015, emphasizing that contribution must be based on the discussion and agreement with local people who can make their decision without any external pressure or coercion.

⁵¹ An assessment implemented by SCODE, Asiaplant, Salung JSC, Can Tho University, BUSTA, QUSTA, COSTA in October 2015. [Báo cáo đóng góp xây dựng dự thảo nghị định “Quy định bổ sung một số nội dung về quy hoạch, kế hoạch sử dụng đất, thu hồi đất, bồi thường, hỗ trợ, tái định cư khi nhà nước thu hồi đất, chuyển đổi mục đích sử dụng đất, cấp giấy chứng nhận quyền sử dụng đất”]

⁵² Document 2003/TTg-KTN

Table 10 - Distribution of budget mobilization for NRD activities in Quang Ngai, 2013-2015 period⁵³

Activities	Types of communes	Central Budget (%)	Local budget (%)	Contribution from local people (%)
Cemetery	Communes defined 30a/2008/NQ-CP; and communes of Ly Son island District	70	30	
Drainage in residential areas			60	40
Infrastructures in localized production zones		70	30	
Biogas		40		60
Other NRD items		100		
New rural planning	Other communes	100		
CPC's office		100		
Training		100		
Secondary school		80	20	
Primary School		70	30	
Kindergarten		70	30	
Commune Health Station		100		
Commune Cultural House		70	30	
Commune Sportive Complex		40	40	20
Village cultural house		60	30	10
Village sportive complex		30	30	40
Water supply scheme		Apply provisions stipulated in 336/2012/QĐ-TTg		
Drainage system			30	70
Production support, service and agri-extension		Apply provisions stipulated in decree 02/2010/NĐ-CP and interministeriel circular 183/2010/TTLT-BTC-BNN		
Infrastructures in localized production zones		50	30	20
Road access to cemetery		50	30	20
Other items of cemetery		40	30	30
Rural market		40	30	30
Biogas		30		70

177. From SPR/P135 side, financial contribution from local people happens in a less frequent basis because of its different philosophy. SPR/P135 is very well known with the principle – local people will have better access to jobs if the commune has more infrastructure investment. With that, the program document clearly state that poor households involve in the construction of local infrastructure will be paid the stipend at the market rate. All contribution from local must be based on voluntary basic, specific to every subproject and approve by the commune people's council.

Ethnic Minority

178. The NTP-NRD and P135 are closely linked as they both target improving access to rural areas with low accessibility, especially for areas where poor ethnic minority communities are located as well as other vulnerable groups such as single women and children. The assessment confirmed that these two programs, especially P135

⁵³ Quyết định 10/2013/QĐ-UBND, ngày 7 tháng 2 năm 2013, về việc quy định mức hỗ trợ từ ngân sách nhà nước để thực hiện một số nội dung xây dựng nông thôn mới trên địa bàn cấp xã ở tỉnh Quảng Ngãi, giai đoạn 2013-2015.

have very strong focus on ethnic minority people on several counts. First, the implementation of these two program is considered as an action to operationalize the Government's Strategy of Ethnic Minority Affairs to 2020. Second, both program clearly stated ethnic minority region is the most prioritized area for program investment to boost the socio-economic development. And third, CEMA was listed as key collaborator to ensure the consistency in the approach and to avoid the overlapping between these two programs and those managed by CEMA⁵⁴. However, while these two programs strongly focus on the question of "what" in EM regions, they are very thin on the question of "how", especially how to make sure that all program activities are culturally appropriate. CEMA has its subordinate at provincial and district level, depending on the number of EM population in the locality, however, the implementation of EM policies are facing a number of institutional, personnel, and capacity-related constraints (CAME-UNDP, 2008⁵⁵). First, the assessment noted the lack of mechanisms and skills for policy advocacy, awareness raising, communication and policies consultation on EM related topics (e.g. current socio-economic condition, tradition/customary, legal framework, best practices in EM development and international commitment of Vietnam on EM). Second, the capacity of generating evidences through research is also limited. Insufficient data may lead to unbalanced policy development. And third, the assessment emphasized limited capacity for policy implementation and especially inter-agencies coordination. In Vietnam, EM affairs are included in many legislative regulations and in the function and mandate of many governmental agencies. Although CEMA assumes the coordination role among all agencies, this job has been done in a difficult way due to the weak collaboration. In addition, CEMA (and its subordinates) have not been allocated sufficient resources (staff, budget, mechanism etc), allowing them to satisfactorily fulfil their tasks.

179. Participation of EMs in decision-making processes remains limited (UNDP, 2006; WB 2009, 2012; MDRI 2014). Studies and results' analysis of development programs confirm that EMs face a number of barriers and challenges for their effective participation. According to these analyses the participation of EM people is limited mainly due to: (a) insufficient information provided for planning and budgeting processes; (b) limited skills for sound participatory planning and budgeting from the part of government officials; and (c) limited fluency of EMs in Vietnamese, and insufficient bilingual support to overcome⁵⁶ challenges of cultural that could overcome with the lack of EMs appropriation (2nd program 135) of projects and programs investments.

180. Experience in other governmental funded programs also indicated that "top-down" decisions and "one size fits all" solutions are not appropriate for EMs (e.g., providing training in Vietnamese for Ethnic Minority groups [MOLISA and UN, 2009].⁵⁷ Albeit certain program target EM groups, indigenous knowledge which could help to solve development problems, is not undertaken or recognized, and local languages are overlooked. Non-Vietnamese speaking groups are regarded as backwards and barriers for development purposes. EMs are passive 'targets' of benefits whereas dependency on the support and Government's top-down assistance worsen a dependent relationships. The problem is promoting the loss of EMs social capital, customary law and ancestral skills. Finally, if in EM communities, cohesion is not enhanced through the continued practice of customary law (village conventions and regulations), and the continuing of village elders and erosion of confidence of Ethnic leadership and communities are evident and counterproductive. The problem is not the Government support itself, but rather the ways in which the Government has given this support, which has promoted dependency, low self-esteem and passivity, rather than promoting empowerment, social capital and capacity in the villages.

⁵⁴ CEMA is one of the most proactive actors from governmental side to implement EM related policies, not only in terms of internal coordination among governmental agencies, but also cooperation with development partners. Some of EM related forum organized by CEMA (e.g. Annual EM Forum, EMWG etc) are well recognized by DPs.

⁵⁵ CEMA-UNDP (2008), Capacity Strengthening for Ethnic Minority Policy Formulation, Implementation and Monitoring, Detailed Project Outline, 2008-2012 Period.

⁵⁶ CEMA and UN (2009), Reviewing the past, responding to new challenges: Mid-term review of Programme 135-II, 2006-2008, Hanoi, Vietnam.

⁵⁷ MOLISA and UN (2009), Reviewing the past, responding to new challenges: Mid-term review of National Target Program for Poverty Reduction, 2006-2008, Hanoi, Vietnam.

181. At sector level, the assessment confirmed that in general, there is no difference in doing business in EM regions. In exceptional case (e.g. the program face important challenges), implementing agencies may call support from EM community, including interpretation support or mobilization of village head to convince local people). There is no consistent approach describing the PMUs/contractors' code of conducts when working in an EM community. Evidences in other programs show the limited participation of CEMA in program implementation.

182. In general, there is no significant gap between the PforR principles and current arrangement in Vietnam. However, despite the legal framework provision for development in EM areas, procedures for adequate implementation and monitoring results are lacking. This assessment has identified a number of weaknesses and gaps that are presented below.

- (i) **Free, prior and informed consultations:** The EMs legal framework in Vietnam defines and advocates for the respect and protection of their rights, interests and their unique social, cultural and economic livelihoods. There a series of policies that support poverty alleviation, for EMs in the mountainous and remote regions. However, policy does not prescribes any special procedures for development interventions to ensure free and prior consultations in programs/projects cycles focused on EMs beneficiaries targeted or/and impacted.
- (ii) **EM communities' cohesion** is enhanced through practice of customary law (village constitution, conventions and regulations), guidance and leadership of village elders. However, the customary organization structures are not supported by policy implementation. As a result, customary law, culture, confidence on Ethnic Minority leadership is increasingly been eroded.
- (iii) **Participation and consultation** do not mandate the culturally appropriateness of the mechanisms /activities and methods to be observed particularly important for example on the cases ensuring the inclusion of EM women and confirm the broad community support to investments. On the one hand, there is a limited EM's voice in the decision making process indicating a constrained effectiveness of the complaints and grievances mechanism and effective support to local interventions. On the other hand, this is an impediment for beneficiaries' oversight that contributes to sustainable implementation of the proposed Program. Moreover, grievances and Redress handling are of most importance when related to land donation practices in rural contexts.
- (iv) **Identification of opportunities to benefit from customary resources of EMs that are socially and culturally acceptable.** The use of EM languages for consultation and during programs cycles is mainly overlooked. The support to EMs knowledge and their social capital is restrained facing impediments to make it work by their customary leaders, due to their weak capacities and skills and scarce capacity building opportunities. This situation affects the legitimization of customary leadership which otherwise works effectively for ensuring equitable benefits to their community members.

Information Disclosure, Consultation and Participation

183. At the local level and during the implementation and operation, the ESSA team recognized that consultations had been conducted with local communities on planned investments. However, although Vietnam has relatively sound legal framework on access to information and disclosure, there are a number of weaknesses that need to be addressed.

- i. The information flow from district to commune levels is still limited, and confronts lack of top-down accountability. Commune officials have limited knowledge on budget management and criteria for allocation of the respective levels (central, provincial, district, and commune levels). In this sense, social accountability is not a common practice and public expenditure is not subjected to formal/informal oversight.

- ii. There is a generalized limited beneficiaries' involvement in decision-making processes for public investments. Public information for stakeholders to be used as a basis for decision-making is not available.
- iii. The planning of small rural infrastructure remains predominantly top-down. Communities are mainly informed of the progress on their financial contribution. A limited community supervision at the site construction does take place. In hard-to-reach locations, communication is inappropriate because of both the content and the audience, mainly local people (especially elders), who can rarely understand the message unless translation is provided.

Recommendations for the Program Environmental and Social Systems

184. The recommendations provided below aim to close the gaps and weaknesses in the borrower's social and environmental systems. Some of the recommendation will be reflected as specific actions of the Program Action Plan (PAP). Others will be included in the Program Operational Manual (POM) which will describe the requirements (procedures, staffing) and guidance incorporating social and environmental considerations into the Program's activities. The POM will also include specific guidance for implementation. The POM is subject to the World Bank's review. The implementation of ESSA recommendations and PAPs may require a slightly different approach of governmental agencies in dealing with social and environmental issues compared to their traditional practices applied in NTP NRD and NTP SPR nationwide.

Environmental Recommendations

185. Based on the findings and assessments on environmental system performance, ESSA proposed four recommendations to improve environmental performance of the NTP-NRD and NTP-SPR in the 2016-2020 phase as listed below:

- (a) **Recommendation 1:** The enhanced manuals developed for this phase of the NTPs will detail environmental guidelines outlining the required screening and management procedures to enable program implementers at local level to mitigate against these risks. The implementation of the guidelines and procedures in the manuals will be monitored through WB supervision and the validation protocol of the PforR. The manuals will be issued by Government for both NTPs. Investments would be screened to exclude the following: (i) locations within protected areas such as national parks, nature reserve, biological conservation areas, cultural-historical sites etc. listed in MONRE Decision no. 1107/2015/BTNMT; (ii) Activities that support the production, processing, marketing of beverage, alcohol, drugs, tobacco; the works primarily serving the army and defense forces. Only activities that are eligible will be included in the verification sample of the PforR. A screening form has been developed and attached to Annex 5 of the ESSA. The forms will be filled in by the program implementing agencies at provincial level. **Recommendation 2:** Program Manuals incorporate adequately environmental guidelines. For infrastructure, the procedures to be followed from planning to implementation should be described. For production support, the options/approach to be considered and/or implemented as part of investment process should be included.
- (b) **Recommendation 3.** Promote community participation into subproject planning, implementation, monitoring, supervision, maintenance to enhance sustainability of the works.
- (c) **Recommendation 4.** Training and technical assistance on the application of program environmental requirements and procedures (specified in OM) should be provided to program implementers. Adequate human resource should be allocated to monitor and report on the implementation of the measures to avoid, mitigate the potential environmental impacts and risks during program implementation (e.g. screening for environmental eligibility, incorporation of ECOP into bidding/contractual documents, incorporation of pollution control in production support activities, etc. The implementation of such avoidance, mitigation measures must be reflected in relevant sections of the Program Progress Report. An environmental consultant could be contracted at central level to provide the training, technical assistance and environmental monitoring in the Program. The central and provincial level implementing agencies each should allocate at least one staff to oversee and be responsible for the environmental aspects of the program and both central level.

Social

186. The enhanced manuals issued by both NTPs will have detailed screening criteria to mitigate negative social impacts and promote positive outcomes. These procedures will include the Guidelines on Voluntary Land Donation as well as the procedures for consultation, grievance channels and specific guidelines regarding engaging with ethnic minority groups. Currently, the NTP programs permit practices such as with land donation and weak consultation that can have negative social outcomes. It is expected that the improved provisions in

these manuals will encourage the NTPs to adopt better practices and thereby bring about a positive change in the NTP implementation system. For the purposes of the PforR program, only activities that pass the screening will be included in the verification sample.

187. First, the proposed program is designed in such a way that land acquisition will be minimized and the majority of land utilized will be vacant public land. Nonetheless, there may be some incidences where land acquisition is required. In general, GoV has a robust legal and regulatory framework governing land acquisition and Provincial authorities have established the required institutional frameworks. Experience in handling of land acquisition issues is considerable.

188. Second, the assessment has also found that the information flow from district to commune levels is still limited. There is also limited involvement of beneficiaries in the decision making process and in implementation. At the local level, the Program would promote the use of state-of-the art approaches to participation. Consultations would be held with local communities on planned investments. The capacity of provinces to oversee this type of consultative planning process may however be limited and would need to be supported and built up during the period of the Program.

189. Finally, the assessment on EMs policy implementation suggests that the regulations covering this aspect are relatively well structured but there are some uncertainties relating to the capacity to implement those regulations. Specifically, free, prior, and informed consultation must be undertaken if EMs are potentially affected (positively or negatively). Consultation should determine whether there is broad community support for program activities and ensure that EMs can participate actively. Participation will also help in identifying opportunities for the customary resources or indigenous knowledge to be applied with the consent of their communities. While the legal framework is robust, the implementation of the regulations related to EMs, information disclosure, and social participation at local level is not consistent with the policy in place. There is a lack of accountability due to the limited information flowing to communes and participation of EMs in decision-making remains limited. Specific actions are needed to close these gaps.

190. As noted in above section, there are a number of weaknesses and gaps that should be address through the following recommendations:

Social Recommendations

Recommendation 1: The enhanced manuals developed for this phase of the NTPs will detail the social guidelines outlining the required screening and management procedures to enable program implementers at local level to mitigate against these risks. The implementation of the guidelines and procedures in the manuals will be monitored through WB supervision and the validation protocol of the PforR. The manuals will be issued by Government for both NTPs. Activities will be screened for land acquisition procedures, with emphasis on following the Voluntary Land Donation guidelines. Only activities that are eligible will be included in the verification sample of the PforR.

Recommendation 2: Social screening must be conducted prior to actual investment in sub-projects to maximize project benefits and minimize adverse impact to local communities especially on land acquisition. The screening process will be detailed in the enhanced manuals. It needs to be closely followed and the results properly documented and included in the relevant section of the investment proposal.

Recommendation 3: Land acquisition must be minimized. However, if land acquisition is unavoidable, it is necessary to ensure that people (including those lacking full legal rights) affected by loss of land and assets will be compensated so that they are no worse off than before that loss. Investments that cause physical relocation should be restricted to only those limited cases that are necessary for the Program's investment. The provision in 2013 Land Law on using independent land appraiser must be followed and its implementation documented and monitored through the Programs M&E system in the targeted Program provinces.

Recommendation 4: Within the enhanced operations manual, there would be land acquisition procedures, with emphasis on following the Voluntary Land Donation guidelines. The Government will issue a “Voluntary Land Donation Guideline” for adoption by the targeted Program provinces that would provide for “Voluntary Donation” to be used for NTP small-scale community infrastructure where the impacts are minor and where there are no alternative options for the location of the infrastructure subprojects. Only activities which are eligible will be included in the verification sample of the PforR. Implementing agencies must ensure that the donation decision will be made based on the informed consent of affected households and of their own choice. Voluntary land donation guidelines are being developed at the program level and will be adopted by the targeted Program provinces to guide the application of this practice in the Program activities. The guidelines will ensure that these contributions are not forced and where voluntary, are based on good consultation and monitoring. These guidelines will be included in the enhanced operations manual for the NTPs and monitored through WB supervision and the verification protocols for this operation.

Recommendation 5: Develop and implement the community/citizen engagement guidelines to enhance people’s participation and consultation processes, especially for Ethnic Minorities and other vulnerable groups such as female-headed households, disabled, etc. The guideline will first ensure that local people are fully informed about the program benefits/risks, mitigation measures and the various arrangements (e.g. complaint registering, land donation etc). Second, the guideline will also enable their meaningful participation and consultation in every step of the Program implementation (including planning, design and implementation, compensation, resettlement and rehabilitation measures in land acquisition) and their equal access to program information/benefits. The guideline will be community-driven, transparent, gender sensitive and in appropriate language. Given that the program will be implemented over a large geographic area with many different ethnic groups, specific guidance will be provided at the local level for each ethnic group. In addition, the guidelines shall fully operationalize existing Vietnamese Legislation with respect to Ethnic Minorities through a process of free, prior, and informed consultations

Recommendation 6: To the extent possible, efforts must be made to ensure that program interventions are culturally appropriate. This is very important given the diversity of ethnic groups living in the Program areas. Where relevant, it is necessary to deliver a training to contractors working in the area having a high presence of EM peoples. The Program should encourage the following social development measures: (a) ensuring unskilled (and to the extent feasible, skilled) labor is sourced locally; (b) mobilization of community (especially women and other vulnerable groups such as female-headed households, disabled, etc.) in maintenance activities or community based supervision. The Women’s Union and other relevant grass root organizations (CBOs, NGOs, pagoda, church, etc.) should be incorporated into the institutional structure of implementation to assist in promoting gender-sensitive community mobilization, participation and grievance redress channels.

Recommendation 7: Arrange adequate staff time to ensure that social-related issues (land acquisition, land donation, gender mainstreaming, EM participation, community complaints/feedbacks ...) will be properly tracked, monitored and reflected in the relevant program report for documentation and tracking. In addition, a database on the program’s beneficiaries, disaggregated by gender and ethnicity should be maintained and monitored. Capacity building program is being developed with a number of activities targeting to strengthen the capacity of implementing agencies in managing social and environmental risks.

Inputs to the Program Action Plan

191. The following actions should be included in the Program Action Plan:

- a. The Government will issue a “Voluntary Land Donation Guideline” for adoption by the targeted Program provinces that would provide for “Voluntary Donation” to be used for NTP small-scale community

infrastructure where the impacts are minor and where there are no alternative options for the location of the infrastructure subprojects.

- b. In conjunction with the enhanced operations manual, and in conformity with Vietnamese Legislation, community/citizen, gender-sensitive guidelines will be issued, both in a language and format understood and accessible to beneficiaries, taking account of language requirements, especially for ethnic minorities.

Consultation and Disclosure

192. There have been two rounds of consultation carried out on the ESSA and the enhanced operations manual. The first ESSA consultation, which was conducted on February 17, 2017 was well-participated by representatives from the 18 targeted Program provinces including top leaders of the People's Committee, Department of Agriculture and Rural Development (DARD), Department of Labor, Invalids and Social Affairs (DOLISA), Provincial Department of Ethnic Minorities, along with ministries including MOF, MOLISA, CEMA, and MARD. Among others, participants showed their greatest attention on the issue of land acquisition in NTPs activities and the application of ESSA recommendations with regard to land donation and people's contribution. In general, participants hesitate to apply compensation to land affected by NTPs activities, given land donation practice has been widely applied in these two programs, especially under NTP NRD. The aim was to get consensus on the principles of the ESSA and to validate the proposed screening and monitoring procedures. The second round of consultation was done during appraisal (March 27-31, 2017), in two locations in the field and targeted the district and commune staff from participating provinces (in Dak Lak in the Central Highlands and in Tra Vinh in the South). The aim was to ground-truth the proposed screening and management procedures and systems that will be incorporated into the enhanced manual.

Environmental and Social Risk Ratings

193. Given the scope of the Program, its types and scale of investment, geographic focus, and previous experience with World Bank projects of the central Government, the risk rating is *moderate* from the environmental and social perspectives.

Inputs to the Program Implementation Support Plan

194. Table 11 indicates environment and social activities to be undertaken within the program implementation support plan.

Table 11 - Environmental and Social Support Plan for the implementation of the program

Activity	Timing
Review and comment the enhanced operations manuals	During the preparation of the enhanced manuals
Review and monitor the implementation progress of social related actions and associated indicators	As needed.
Join the supervision mission and field visits to selected sites.	At least twice per year during supervision missions.
Support client to resolve implementation issues and carry out institutional capacity building	

Annex 1: ESSA Public Consultations

Introduction

The Socialist Republic of Vietnam and the World Bank is currently preparing an operation “National Target Programs for New Rural Development and Sustainable Poverty Reduction Support Program”, using Program for Result Financing Instrument (PforR). The PforR operation would cover 18 provinces covering both NRD and SPR/P135 communes, with the aim to improve the delivery of, and access to, investments for increasing agricultural productivity and enhancing livelihood opportunities. These could then be subsequently “rolled-out” to other provinces under the NTP-NRD and NTP-SPR as experience is gained. The selection of provinces for the program was based on the following technical criteria: (a) poverty rate; (b) share of ethnic minorities in a province; (c) number of P135 communes; and (d) vulnerability and magnitude of losses and damages from environmental and natural disasters. Additional criteria considered to identify the provinces include: (a) presence of complementary World Bank and other donors providing technical assistance and related investments; (b) representation of the four prioritized regions for poverty reduction (i.e., Northern Mountains, Central Coastal, Central Highlands and Southwestern); and (c) capacity, commitment and interest of provinces to participate in the operation.

Policy Requirement

As part of the program preparation, the Bank team has conducted an Environmental and Social System Assessment (ESSA) to:

- Assess the likely environmental and social risks associated with the program;
- Document the environmental and social management procedures, standards and institutional responsibilities that will apply to the Program;
- Evaluate the institutional capacity to manage the likely environmental and social effects in accordance with Vietnam’s own requirements under the proposed Program;
- Assess the consistency of the borrower’s systems with core principles and attributes defined in the Program-for-Results (PforR) Guidance Note on Environmental and Social Assessment; and
- Recommend specific actions for improving counterpart capacity during implementation to ensure consistency with World Bank principles.

Key findings of this assessment will be used to improve environmental and social management outcomes of the Program through specific actions under the overall Program Action Plan (PAP), as well as through technical assistance and capacity building activities to be implemented under the Program. The action plan will be discussed and agreed with the Government of Vietnam (GoV) and will be incorporated, as relevant, into legally binding agreements under the conditions of the new financing.

Consultation on ESSA findings is required under the Bank policy. Paragraph 12 of the Program for Results Financing policy reads “In relation to the environmental and social systems assessment, the Bank consults with the Program stakeholders and discloses the results and recommendations of its assessment. As appropriate, the Bank discusses and agrees with the Borrower on specific actions to be taken and arrangements to be maintained during the period of the Program, including measures to address identified weaknesses and risks and to strengthen institutional capacity.

Consultation Strategy

Objective and Scope

The objective of the ESSA is to discuss the integrity of the ESSA/recommendations, constraints to actual implementation of the ESSA, and how these could be addressed during implementation. The following are the other issues which would be discussed with affected people and beneficiaries: (i) understanding of the Program

and its intended benefits and potential adverse environmental and social effects; (ii) quality of consultations conducted by Program officials; (iii) availability of Program information; (iv) concerns relating to environmental or social sustainability of the Program; (iv) recommendations for mechanisms for communications with Program officials and opportunities for expressing concerns or grievances; (v) experience with key elements of social and environmental principles articulated in this guidance note; and (vi) recommendations for Program scope or design.

Approach

Given the large geographical area of the Program, consultation has been organized based on some key principles to ensure the quality and the effectiveness of this typical activity under a PforR operation.

- Following a *two-stage approach* according to which the Bank team has organized ESSA consultation at the *central level* and at the *provincial level* separately. This approach allows us to tailor the consultation contents in accordance to the pace of overall program preparation.
- Second, the local consultation activity has a *regional focus* to reflect the diversity of provinces involved in the Program. Although the list of selected provinces for consultation is not representative, the Bank team tried to have at least one province per region to be involved in this activity.
- Third, to the extent possible, the Bank team has organized consultation sessions with the participation of some specialized target audience, for example, ethnic minority people, people living in poor vs better-off communes, governmental officers and development partners. And finally, at commune level, the consultation sessions were held in communes having various level of NRD achievements ranging from poor to better off ones.

All consultation sessions have been properly documented. The outcome has been used to update and finalize the ESSA. The final version of the ESSA will be publically disclosed as per the Bank requirement.

Consultation Summary

Consultations sessions were organized on Feb 17, 2017 (for central and provincial level) and from March 27-31, 2017 (for provincial, district and commune levels in Dak Lak and Soc Trang provinces). In general, all sessions were well attended by governmental officers (at central, provincial, district and commune levels), coming from different line agencies (such as MONRE, DONRE, CEMA, DEMA, MOLISA, DOLISA, PPC, DPC, CPC etc). Sessions at commune level have also been attended by representatives of approximately 10 households living in the program area.

Date	Venue	# of participants
17/2 – AM	Consultation with Central and Provincial Agencies (Hanoi)	60
27/3 – PM	Eaphê commune PC Office, Krông Pắc District, Dak Lak	21
28/3 – AM	Cư Pui Commune PC Office, Krông Bông District, Dak Lak	18
28/3 – PM	Cư Đrăm Commune PC Office, Krông Bông District, Dak Lak	16
29/3 – AM	Đak Lak DARD Office	22
30/3 – AM	Vĩnh Tân Commune PC Office, Vĩnh Châu District Town, Soc Trang	28
30/3 – PM	Conference Centre, Soc Trang Province	27
31/3 – AM	Hậu Thạnh Commune PC Office, Long Phú District, Soc Trăng	21

All sessions generally started with a short presentation about the program and the key finding of the ESSA. After that, participants were invited to actively engage in the discussion. The following concerns are highlighted:

- **Additionality.** Questions as to whether the US\$200m loan will create incremental resources for the participating provinces.

- **Implementation mechanism.** Participant are particularly concerned about the possible differences between participating and non-participating provinces, the workload, responsibility and accountability of participating provinces
- **Benefits/incentives for participation.** Benefits for participating provinces are not clearly and well perceived among provinces.
- **ESSA.** Participants show their greatest attention to the issue of land acquisition in NTP projects and the application of World Bank recommendations concerning land donation and people's contribution. World Bank's suggestion to pay compensation to peoples whose land is acquired for the construction of NTP infrastructure works concern provinces as they think it might cause delay in their implementation and costs. They request to introduction of regulations that are consistent with existing government framework.
- **At commune level.** The views expressed regarding land donation versus compensation are very different from communes in Dak Lak and those in Soc Trang. In Dak Lak, CPC's representatives and local people generally welcome the idea of arranging compensation for those who lost the land due to the construction of small rural infrastructure. They also suggested that the 10% threshold should only be applied to agricultural land, and not to residential land which should be subject to compensation immediately (given the limitation of residential land). In Soc Trang, CPC's representatives and local people raised the concern that application of the said threshold and principles might negatively influence the program implementation as a whole.

a) Detailed Discussion in the Session at Central Level

Question	Feedback
<p>Mr. Lê Văn Dương (NRD Coordination Office - Quảng Ngãi)</p> <ul style="list-style-type: none"> • Resource: will the loan increase the resources for NTPs in participating province? • Disbursement will be approved based on achieved results. Will the lending increase the debts for provinces? • 	<p>Sơn (World Bank Co-TTL)</p> <ul style="list-style-type: none"> • Confirmed that the loan from World Bank will not be treated as additionality and will be merged to the committed state budget for the two NTPs • There will be no segregation between World Bank's loan and that from the state budget source. Participating provinces will only receive the money from the government. The difference for participating province is that they will receive the committed resource in an adequate and timely manner.
<p>Mr. Hồ (Director of DARD Bình Định)</p> <ul style="list-style-type: none"> • Will there be any difference in the monitoring mechanism? • What will be the changes in the implementation mechanism? 	<p>Sơn (World Bank Co-TTL)</p> <ul style="list-style-type: none"> • The implementation will not change and remain as regulated in Decision 1600 and 1722. The only difference is that in 18 participating provinces there will introduce set of enhanced manuals with good practices (on planning, infrastructure, livelihoods), M&E tool, etc, that help provinces to improve the efficiency of the two NTPs. One benefit to participating provinces will be more M&E activity. <p>Ms. Lan Anh (MOF)</p> <ul style="list-style-type: none"> • As the loan is treated as budget support, there will be no additionality, neither responsibility nor program costs. The implementation will be the same as the

	<p>government's regulations whereby existing agencies and offices will be used.</p> <ul style="list-style-type: none"> The difference for the PforR is the implementation of manuals. Specially, there will also annual verification conducted by the State Audit of Vietnam. MOF commits to transfer the resources to implementing provinces as early as possible.
<p>Mr. Giáp (NRD Coordination Office - Bắc Kan)</p> <ul style="list-style-type: none"> What are the criteria for disbursement? Such criteria needs to be clear to facilitate the implementation of provinces. It is also important to be consistent with existing government framework so as not incur workload and accountabilities for participating provinces. 	<p>Lan Anh (MOF)</p> <ul style="list-style-type: none"> Procedures will still follow government regulations. Recommendations on environmental and social management should be seen as a set of good practices.
<p>Mr. Phước (DARD Bình Thuận, NRD Coordination Office)</p> <ul style="list-style-type: none"> The loan should be additionality. Otherwise, we will never be able to achieve disbursement criteria. 	
<p>Mr. Chương (Deputy Director of DARD Kon Tum)</p> <ul style="list-style-type: none"> You said that participating provinces will receive the money sooner than others. However, this PforR requires provinces to achieve certain indicators for disbursement. It means that if they do not, does it mean they will receive the money late. 	
<p>Bình Định</p> <ul style="list-style-type: none"> If we apply regulations from the World Bank concerning land donation and labour contribution, in many areas the people will no longer do that meanwhile they have been doing effectively during the past years. Here at central and provincial level we are better aware that there will be no difference between World Bank and state resources but village and commune authorities might be not, which will cause many difficulties during implementation. When we calculate counterpart funding we also consider contributions from the people. Now that you said there would be regulations on that, you need to clarify so as not to cause confusion. The implementation mechanism for this loan among participating provinces should be the same as non-participating ones. 	<p>Lan Anh (MOF)</p> <ul style="list-style-type: none"> Program 135 in Phase I and II also borrowed money from the World Bank, which was treated as budget support. During implementation there was no difference as we were monitored on outputs. The same will apply for this PforR. The annual verification will be conducted by the State Audit of Vietnam, an independent agency from either WB or the Government. Therefore, you should not be concerned about this.

<p>Dương (Director of DARD Đắk Lắk)</p> <ul style="list-style-type: none"> • Even between WB and MOF, there was inconsistency. World Bank said that there will be new regulations and manuals meanwhile MOF said all regulations on implementation will be the same. So what will be the differences for 18 provinces? 	<p>Tiến (NCO-MARD)</p> <ul style="list-style-type: none"> • There will be DLIs that will be presented later • Manuals: government agencies have already completed different manuals for implementing two NTPs. WB requires the use of an integrated manual for both NTPs to be introduced in participating province. • M&E: WB requires the introduction of M&E set of indicators. We have already had such indicators in place and will use this to meet WB's requirements. • Land acquisition and site clearance are great concerns for participating provinces. If WB regulations apply, they might be contradictory to existing regulations of NRD. It is important to review such regulations to make sure no delay in implementation will occur. MARD will further discuss with WB on this.
	<p>Nhật (MOLISA)</p> <ul style="list-style-type: none"> • On counterpart funding, NRD has not issued any regulations yet. NTP-SPR has already introduced Decision 48, which indicates that all provinces whether or not participating in this PforR will still need to arrange their counterpart funding.
<p>Men #1</p> <ul style="list-style-type: none"> • I request you treat WB loan using the mechanism set out in Decision 1600; the allocation should apply the allocation coefficient according to MARD's Decision 1161 • Requirements on paying compensation for land donation, if in one region there are two different mechanism: one where people are compensated, the rest people are not, it will affect the implementation result 	
<p>Man #2 (Hà Giang NRD Coordination Office)</p> <ul style="list-style-type: none"> • How will you operate the M&E mechanism if we do not segregate between WB and state budget? Meanwhile, application of WB mechanism will be challenging for local levels. 	
<p>Thu (Deputy Director of Quảng Trị NRD Office)</p> <ul style="list-style-type: none"> • Current NTP mechanism is good, particularly concerning site clearance. • The issue is while NRD has its own mechanism, SPR has two different mechanisms: capital investment and 	<p>Sơn:</p> <ul style="list-style-type: none"> • Provinces will still apply NTP rules. There will be no M&E required by WB • The money will not be transfer late. Budget transferred to provinces will not be subject to verification results.

<p>production promotion, which are assigned to different parties.</p> <ul style="list-style-type: none"> • Now two departments (DOLISA, DARD) and Provincial CEMA are implementing the two NTPs. If you bring this PforR, this will be confusing to the management of local authorities. • Beneficiaries when hearing about WB's loan will tend to think it would like other WB-funded projects • MOF said one benefit to 18 provinces will be the timely transfer of resources but in fact, it will not. To simplify, it should not be provinces but ministries to work with WB and MOF agrees with WB on one single mechanism to transfer to provinces 	<p>Bảy (CEMA/P135):</p> <ul style="list-style-type: none"> • WB when agreeing to lend the money to the government requires actions • We are trying to locate TAs for supporting provinces in implementing the PforR. Among 18 provinces, there are 7 receiving support from Ireland. • There will be no increase in the organization structure to implement this. <p>Lan Anh (MOF)</p> <ul style="list-style-type: none"> • If we treated as an investment lending, provinces will have to re-borrow the money. It will be more complicated. • The benefit to participating provinces is the government will prioritize the transfer of committed budget. At the same time, government will ensure internal resources for them to achieve WB's verification requirements.
<p>Man #3 (Bình Định)</p> <ul style="list-style-type: none"> • 18 provinces have to do increased workload. • If you want provinces to participate, you should create incentives. Otherwise, MOF should be the sole agency to borrow the money. • It is suggested to review the 5-year fund flow: whether it is stationary or there might be additionality. • It is difficult to report to province leaders. If we receive funding from WB but there is no difference, how should we talk to them? 	<p>Sơn:</p> <ul style="list-style-type: none"> • Provinces will not have to implement any other activities which are not within the two NTPs • We have already stated the nature of this lending in our first letter to provinces to seek your interest in participation. • Verification will be the responsibility of central agencies.
	<p>Nghị (World Bank)</p> <ul style="list-style-type: none"> • Recommendations in the ESSA are legally binding. WB will review all regulations of the government to assess how consistent they are with the Bank's policies on PforR. Once we agree with the government, all regulations must be complied with. • Land acquisition: if we pay compensation to people when they donate land and labour, will it be better? We need to assess whether the current procedure is on voluntary basis or not. In fact in our projects we still allow for that but only to certain extent • WE have reviewed and seen there are regulations on people's contribution but the enforcement poses a question.

	<ul style="list-style-type: none"> To avoid differences in implementation within one region, we recommend applying one rule in one commune.
	<p>Lý (World Bank)</p> <ul style="list-style-type: none"> Environmental recommendations will be incorporated in the livelihood and infrastructure manuals.
<p>Man #4</p> <ul style="list-style-type: none"> We agree that the environmental issues should be raised. In all projects we need to consider the aspect of environmental protection 	
<p>Man #5 (Director of DARD Quảng Bình)</p> <ul style="list-style-type: none"> MOF should transfer the resources for provinces early, preferably at the beginning of the year of end of previous year 	<p>Lan Anh</p> <ul style="list-style-type: none"> This loan is only to cover NTPs. When it is transferred to the government, we will prioritize 18 participating provinces. Provinces will not have to re-borrow WB's loan. All foreign funded programs must be considered in medium-term public investment plans.
<p>Mr. Dương</p> <ul style="list-style-type: none"> The loan incurs more requirements for provinces. For instance, they will have to pay compensation for land acquisition, which will increase their implementation cost. You need to consult provinces in document that clearly set out the responsibilities, tasks as well as benefits for participating provinces 	
<p>Mr. Sơn (Hà Tĩnh People's Committee)</p> <ul style="list-style-type: none"> Here almost 100% show their disagreement. I suggest that we must be considerate; otherwise, it can become more complicated. Once the lending agreement is signed, it will have more power than government's regulations. Where officials cannot deliver, they will encounter big problems. I suggest you assess (verify) for the whole programs, not on 18 provinces. 	
<p><i>Closing from Mr. Tien:</i></p> <ul style="list-style-type: none"> We will continue to gather feedback from you Subsequently, we will send official documents to provinces so as you can provide your opinions as well as to clarify points you are still concerned based on which ministries will report to the government. 	

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b) Detailed Discussion in the Session at Provincial, District and Commune level

Commune	Comments/Discussion
EaPhê Commune	<ul style="list-style-type: none"> • Many infrastructure schemes were built in the past few years such as roads and irrigation. Community meetings were held regarding these investments. Communities usually supported the contractors with accommodation and water supply • The design of some structures such as irrigation canals were not met the needs thus were revised during construction phase. • Economic-Technical report prepared with assistance from District Economic Division. • Typical design usually applied for road construction. CPC determine scope of investments. Supports with construction materials such as cement, stones is needed. The commune can arrange for road base construction, draine pipe casting themselves. Roads are usually built by communities, or pay for the construction • Economic-technical reports are prepared with support from district Economic division • There were no restrictions on the loads of trucks on some dirt roads before construction, however, after being built with hard surface, load limitations were applied thus not very convenience for roadside households – they had to use transfer means when building their houses • Erosion potential is high in the commune • Inter-commune road is not wide enough for agricultural production transport • Waste collection has not met demand, dead animals are thrown into streams • Some large project implemented in the district does not apply adequate environmental mitigation measures, trucks are not covered Response: the program should enforce the contractors environmental compliance, and carry out regular community monitoring following the guidance given in Circular no. 26 Women’s Union: communication on solid waste management are still limited. Good waste management can be piloted in one or two villages before scaling up • Businesses in the commune: all have been registered. There are cooperatives on irrigation and power supply. There is a timber processing plant, but no timber exploitation. One cashew nut processing plant with 30-35 workers • Workers’ health, food safety have been managed by various district authorities. inter-sectors inspections are carried out regularly • EaSur village has 100% population belong to Ede ethnic group • Have difficulties in meeting environmental criteria • Land donation is widely accepted in the locality. CPC is able to secure the donation of land required for road widening in the entire network of the commune. Local people also actively engaged in other form of contributions (labor and financial -1-2 million VND/household). • During the program implementation, participation of local people is relatively limited, resulting in infrastructure built not responding to the need of local community (recent irrigation scheme for example). Village meetings might be convened with the content focused on contribution of villagers. Contribution from local people may reach 40% of total investment. • While villagers generally support the construction of infrastructure and potential contribution, it is reported that resistance from community still exists. Disagreement has been addressed through community meeting (focusing on potential interest). • It is estimated that donated land from villagers may account for 5% of total land holdings (in concentrated population area) and for 3% in a more dispersed population area.

Commune	Comments/Discussion
	<ul style="list-style-type: none"> Land donation practice may be recorded through a written document signed by relevant household and CPC's officers. Revision of LURC rarely happens.
Cu Pui Commune	<ul style="list-style-type: none"> 89% population is ethnic minority. There are many slopes. Main crops are cassava and corns. 700 ha coffee plantations. Pig is the main livestock being raised Agricultural production mainly natural. 50% of the population does not have access to clean drinking water NRD: 200 Millions VND were allocated in 2015. Typical design were used thus most of the construction were done by communities. Typical design should reflect regional specific conditions DANIDA supported two suspension bridges, and a 5 ha reservoir for irrigation. However sedimentation is happening as the soil has been eroded from crop land in the catchment. Irrigation canal has not been maintained. Community participated in monitoring Support for poverty reduction: 200 millions were allocated to 24 HH to buy 12 cows (two HH jointly raise one cow). Local authorities support with vaccination and technics. Being eligible for receiving the cows, near-poor HH must have at least 50 m2 of land for grass planting, can build cages for the cow if they are considered. Should support with market connectivity There is no business in the commune. There is one cooperative to operate irrigation system Animal raising are mostly at small household scales, some HH has biogas. HH with relative large number of animals are being persuaded to move out of residential areas. Ethic HH usually cannot raise cattle. Water for irrigation is from rivers and streams. Herbicide has been used for grass control. Media regularly communicate to raise awareness about the use of agrochemicals Filling materials for road construction in the past were taken from household hilly lands. Family usually use levelled land for house construction. Impact is minor Contractor has 5 to 7 workers, come from other localities. They build camps or rent accommodations. There is one cassava processing plant in the commune. EIA was approved in 2015. Community were consulted during the preparation of the EIA. The commune has some land located within the Chu Yang Sin Nature conservation area. One water supply scheme and some production land are within the area. CPC has no problem with screening to exclude the areas within the conservation areas from future investments There are winery production in the commune but no support have been given to them Cultural house were built on large land area however the functions have been limited . Design should be determined by community Community participated in monitoring of road construction Commune officers are familiar with incorporation of environmental terms and conditions into bidding documents Village meeting might be convened where investor can present work-plan, financial source and technical design. In that meeting villagers may be asked to donate land, emphasizing the fact of no compensation budget and principle of state and people working together. Physical relocation is observed, but very few cases. Depending on the complexity, there could be 2-3 meetings discussing land donation/compensation. Limited understanding of Vietnamese among Hmong elderly women. Interpretation is needed during the meeting.

Commune	Comments/Discussion
	<ul style="list-style-type: none"> • Regarding the threshold, the suggested 10% should be applied differently to different types of land. It was suggested that compensation should be arranged for residential land (given the limited size of this type of land) while the said threshold could be applied for agricultural land. • Revision of LURC rarely happens.
Cư Drăm Commune	<ul style="list-style-type: none"> • Criteria 1, 3, 8, 12, 15, 18, 19 has been met. Total land area is 16,000 ha in which production land is over 2,000 ha. Population is 10,000 people with 1818 households. Average annual income: 14.5 millions. 49% poor household, near-poor: 19%. Animal raised are mostly cows and buffalos, pigs are raised at small scale. Main crops are corns, cassava and coffee • Commune land area is large, the rate of ethnic minority is high, poor and near-poor households accounts for more than 60% thus difficult to mobilise contribution for NRD • NRD has been implemented budget from many sources: poverty reduction, class room construction, support households to buy cows (one for each HH) • Prioritise road and classroom construction • Production support has been based on needs, mostly cows, seeds and seedlings. Very limited budget were allocated • Highland Poverty reduction Project supported ten groups to improve livelihood with pig and goat raising, and road construction • As the land is large and soil is not uniform, only small-scale models can be invested. There are existing temporary classrooms, schools without toilets and fences. More road construction is needed • Consultants are hired to prepare technical documents, district appraise • Erosion and soil subsiding is common. • Participation observed in Poverty Reduction Project (a Bank funded operation) is more effective than similar mechanism in NRD and SPR. • Limited understanding of Vietnamese among Hmong elderly women. Interpretation is needed during the meeting. • Community compensation might be arranged for special cases, or for those who lose a large area of land. • Land donation is widely accepted in the program. Local people and CPC's representatives generally support the introduction of 10% threshold for land donation.
DARD Dak Lak	<ul style="list-style-type: none"> • When participating in the PforR program, certain procedures will be followed • Commune take active part in NRD thus commitments and contributions are expected • Dững, PMU Deputy Director, Highland poverty reduction program: The Program will be implemented in 18 provinces then assessments will be carried out, later the manuals will be applied nation-wide • Exclusion list should follow WB+MONRE requirements and included in F A • Environmental reporting should be included in systematic reporting procedure • Districts and communes have been using software to provide information for reports and monitoring. Therefore, capacity building is very important to the success of the program • Three languages Ê đê, Mnông and Kinh have been being used, therefore, communication should be in simple mode, least words, and language used should be easy to understand • The province implemented 300 livelihood models and 100 infrastructure without any compensation requirements. Try to compensate with "land to land" other wise would be very difficult to implement due to differences in compensation rates between various projects • Should establish a mechanism to provide information to the community in transparent ways

Commune	Comments/Discussion
	<ul style="list-style-type: none"> • Local authorities had experience in incorporating environmental terms and clauses into bidding documents • Nguyễn Ngọc Phú: head of Easup District DARD: CPCs has been effectively managed three programs: Poverty reduction, NRD and P135. Communities manage and arrange for site clearance thus save costs, increase scope of investments. The province set a target for 2020: 40% of communes in Đak Lak meet all 19 NRD criteria, however, no commune in Easup has met all criteria, some communes only met up to 8 criteria. Roads and irrigation should be prioritised. District NRD CO only play supporting role, and CPC play key roles in implementation. Commune meeting normally request the affected households do side clearance themselves and community self-monitor. Guidelines are received however administration procedures are not well understood thus there were issues during regular inspections by authorities. Communities usually carry out visual monitoring and lack of technical knowledge and skills. • District DARD has only 7 to 9 staff which is not adequate, thus each staff has to carry out multiple functions and lead to mistakes during implementation. • Mr Chí, Cư M'gar District DARD: Capacity at village level thus need supports from commune and district. • Economic-technical Investments Reports are not required for schemes with costs of less than 3 billions. local cultural characters were considered during the design of cultural houses, however, integration of local cultural features are not a priority due to time and cost implications. Design of cultural houses in other provinces have been used as reference. Some cultural houses were built on donated land at location which is not suitable to access. These are usually not maintained properly thus not being used effectively. Therefore, the siting of cultural house must be decided by local people • Road design usually not meet local goods transport demands as the main crops are cassava, corns, coffee and sugarcanes. transfer trucks must be used • Nguyễn Chí Dũng, Chư Quỳnh district: normally community contribute 70% of the costs for road construction • Circular 03: Commune development board can use typical design with cost estimation attached. Design can be appraised by CPC • Environmental aspects have not been paid adequate attentions during the investments for past small-scale infrastructures . Simple form of mitigation measures and monitoring could be introduced for use in community-based infrastructure • Bù Công Long, Ealeo district DARD: sustainable poverty reduction requires great participation of communities while the population is scatterly distributed. Therefore support from the program is needed as capacity to contribute of communities are limited. The capacity of the local implementing agencies has been inadequate thus additional resources would be required and training should be provided. • Program 135 has been effective however data on the income “before” and “after” the program is not made available. • Typical design has been being flexibly applied • Đoàn Ngọc Huy, Deputy direct, EPA, DONRE: The schemes are built following masterplan thus there should not be any issues. Schools and Clinic requires the preparation of EIA or EPP in accordance with the Environmental Law. If local people want to donate land, authorities should facilitate. If compensation is required, compensation rates must be determined and submitted to relevant authorities for appraisal. • Nghi: Is there any existing regulations or guidance about land donation? DONRE response: No • Ms Thúy, DPI: Circular 01 about community participation has been being drafted. The use of typical design would help to save costs, typical designs are available for classrooms,

Commune	Comments/Discussion
	<p>irrigation canals, in 2016 only budget for poverty reduction were allocated, there were no budget for NRD. 2017: budget for maintenance were included.</p> <ul style="list-style-type: none"> • Ngát: Decision 1600 guided to use 6% investment budget for maintenance Mr Đông: Guidance should be provided to calculate the annual budget for maintenance taking into account the fact that the new NTP is a combination of 16 previous NTPs, for which maintenance demand would be huge. • Land donation is widely applied. For NRD investment, almost no difficulties in getting affected acquired through voluntary donation mechanism. Local people are also mobilized for financial contribution. • NRD and SPR should follow the mechanism defined in the Poverty Reduction in Central Highland project (especially in terms of enhancing the participation of local people). Level of contribution per household per infrastructure depends on the population size in the locality.
Vinh Tan Commune	<ul style="list-style-type: none"> • Four criteria has not been met: transport, schools, markets and poverty. Will meet all 19 criteria by 2010; • Land donations have been practiced since before the start of NRD phase 1 for road and irrigation construction. Commune meetings were held to get the comments from households, meeting minutes are prepared, then the consultants prepare documents and local community involve in site clearance • Households who donated land for school construction were allowed to provide some services or sell food in canteens to maintain income and stable livelihood; • large infrastructure projects did pay compensation for land acquisition. 60% of the population belongs to the Khmer ethnic group thus officers who communicate with local community should be able to use Khmer language or get help from locals who can speak Kinh language • Community monitoring board comprises of mass organisation and household representatives, they are trained by relevant authorities • mass organisation should be authorised to maintain the road • Construction of infrastructure: prioritise the use of local labours who have suitable skills • Infrastructure built under commune budget: community do the construction, if under other financing sources: use consultants to prepare documents. Lots of supports from local people to the contractors, there were no complaint. • Environmental, health and safety – although the potential impacts and risks were very small - were not paid attention to in the previous phase Team response: EHS should follow the program manuals and must be monitored and reported • Water usage practice: mostly groundwater due to brackish surface water which is only suitable for aquaculture • Market open in a very short time, several hours in the morning only • There are needs for better road and power supply to support prawn production and market access • Land donation is applied not only in NRD investments, but also other NTPs in the past (including the construction of school, irrigation system, road). Level of impact rarely excess 10% of total land holding. • Village meetings are organized to confirm the donation willingness of local people. Ethnic minority language might be used to ensure the full understanding of local people.
Sóc Trăng DARD	<ul style="list-style-type: none"> • Environmental mitigation will be ensured in the next phase • Environmental mitigation measures should be clarified at some points Response: Will clarify the mode for application; most of the mitigation measures were built for all types of commune-level infrastructure in 63 provinces thus there should be some

Commune	Comments/Discussion
	<p>flexibility. During implementation, the users should try to make the measures suitable to the type of infrastructures to be invested and local conditions</p> <ul style="list-style-type: none"> • Structures with values of less than 3 billions were usually managed at commune level, consultations were hired to prepare the dossiers as the CPC Officers do not have capacity to do so. • Many authorities in the provinces are familiar with environmental requirements including document preparation in past and on-going WB-financed projects • the guidelines given in the manuals should be comprehensive, should not be too long to suit limited capacity of the implementing agencies. Tables and forms would detail guidance should be most suitable
Hậu Thạnh Commune	<ul style="list-style-type: none"> • The commune has met 13 criteria, average income is 20-25 millions/person/year • Focus on roads and irrigation • there is no market in the commune • In recent years, the commune has been severely affected by salinity intrusion thus changed from three rice crops to two rice crops and one vegetable crop. • Has limited agricultural land thus many people went to work in industrial sector in other provinces. • Planned to meet the environmental criteria in 2017. Communication has been made on solid waste treatment at households by either burning or burial, then plant trees on top. Two water treatment plant has been being built • authorities have been providing training for the farmers on less and safe use of agrochemicals; One or two concrete tubes were placed in the rice field for storage of agrochemical packaging materials. Then these will be collected by authorised companies • Communicate with local people about cleaning up lanes in combination with three “no” and three “clean” movements • Animal husbandry is mostly at small scale, Households having relative large number of animals use biogas. • The district has some models such as special orange farms, preparing plan on large farms such as the 100 of sugar canes • A household donated 3,000 m² of land for school construction. Under NRD, meetings were held to inform and to get comments from communities, written notice posted • Contractors used to comprise of 10-15 workers, some local labours were hired. If the workers stay overnight, the list will be registered with CPC; sometimes there are quarrels between local people but very minor, generally security in the commune is stable; • Community monitoring mostly about the quality of the works; CPC were advised to pay attention to safety, health and environment in accordance with the program manuals. • The introduction of 10% threshold for land donation may have negative influence of the whole program. Strong support of community people during the previous phase of NRD.

List of participants

a) At central level

#	Name	Province	Agency	Title
1	Do Thi Minh Hoa	Bac Kan	People's Committee	Deputy Chairwoman
2	Hoang Van Giap	Bac Kan	NRD Coordination Office	Director
3	Tran Chau	Binh Dinh	People's Committee	Deputy Chairman
4	Phan Trong Ho	Binh Dinh	DARD	Director
5	Nguyen My Quang	Binh Dinh	DOLISA	Director

#	Name	Province	Agency	Title
6	Pham Van Nam	Binh Thuan	People's Committee	Deputy Chairman
7	Nguyen Huu Phuoc	Binh Thuan	DARD	Deputy Director
8	Nguyen Ngoc Thanh	Binh Thuan	DOLISA NRD Coordination Office	Deputy Director
9	Phan Thanh Hoang	Binh Thuan	DARD/Division of Agricultural Development NRD Coordination Office	Division Head
10	Nguyen Sinh Cung	Cao Bang	DARD	Deputy Director
11	Y Giang Gry	Dak Lak	People's Committee	Deputy Chairman
12	Nguyen Hoai Duong	Dak Lak	DARD	Director
13	Tran Kim Tuan	Dak Lak	DOLISA	Director
14	Ha Van Quan	Dien Bien	DARD	Director
15	Phan Manh Kha	Dien Bien	DARD/Division of Agricultural Development	Division Head
16	Pham Quang Hung	Dien Bien	DOLISA/Social Security Division	Division Head
17	Pham Ngoc Dung	Ha Giang	DOLISA	Deputy Director
18	Do Tan Son	Ha Giang	DARD	Deputy Director
19	Dang Ngoc Son	Ha Tinh	People's Committee	Deputy Chairman
20	Nguyen Xuan Thong	Ha Tinh	DOLISA	Deputy Director
21	Nguyen Hoai Lam	Ha Tinh	DARD	Deputy Director
22	Vu Ngoc Phuc	Kon Tum	DOLISA	
23	Tran Van Chuong	Kon Tum	DARD	Deputy Director
24	Dang Quang Ha	Kon Tum	People's Committee/Office	Deputy Director
25	Ha Van Um	Lai Chau	DARD	Director
26	Nguyen Huu The	Lao Cai	People's Committee	Deputy Chairman
27	Nguyen Anh Tuan	Lao Cai	DARD	Deputy Director
28	Bui Cong Khanh	Lao Cai	NRD Coordination Office	Deputy Director
29	Vu Duc Quyen	Lao Cai	NRD Coordination Office	Officer
30	Hoang Nghia	Lao Cai	Provincial DEMA	Director
31	Dang Thi Phan	Ninh Thuan	DOLISA	Deputy Director
32	Phan Quang Thieu	Ninh Thuan	DARD	Deputy Director
33	Phan Van Khoa	Quang Binh	DARD	Director
34	Pham Thanh Dong	Quang Binh	DOLISA	Director
35	Dinh Van Tho	Quang Binh	DOLISA	Deputy Director
36	Pham Van Duy	Quang Binh	DOLISA/Social Security Division	Division Head
37	Ho Van The	Quang Ngai	Provincial DEMA	Director
38	Do Tien Tan	Quang Ngai	DOLISA	Deputy Director
39	Le Van Duong	Quang Ngai	NRD Coordination Office	Deputy Director
40	Ha Sy Dong	Quang Tri	People's Committee	Deputy Chairman
41	Tran Van Thu	Quang Tri	DARD/Division of Agricultural Development	Division Head
42	Tran Tuan	Quang Tri	DARD	Officer
43	Le Van Hieu	Soc Trang	People's Committee	Deputy Chairman
44	Le Hoang Dieu	Soc Trang	DOLISA	Director
45	To Ngoc Tuan	Soc Trang	NRD Coordination Office	Officer

#	Name	Province	Agency	Title
46	Pham Quyen	Thua Thien Hue	NRD Coordination Office	
47	Le Van Cuong	Thua Thien Hue	Provincial DEMA	Deputy Director
48	Le Thanh Nam	Thua Thien Hue	DARD	
49	Huynh Kim Nhan	Tra Vinh	DARD/Division of Agr Devt. NRD Coordination Office	Division Deputy Head
50	Nguyen Lan Anh	Hanoi	MOF/Department of Debt Mgmt and External Finance	
51	Vo Van Bay	Hanoi	CEMA/P135 Office	Director General
52	Ha Viet Quan	Hanoi	CEMA/ICD	Deputy Director General
53	Nguyen Thu Thuy	Hanoi	CEMA/P135 Office	Officer
54	Nguyen Kien Trung	Hanoi	CEMA/ICD	Officer
55	Carol	WB		
56	Vo Thanh Son	WB		
57	Roxanne Hakim	WB		
58	Tran Thu Trang	WB		
59	Nguyen Quy Nghi	WB		
60	Vu Thi Dieu Ly	WB		

b) At provincial/district/commune levels

	Name	Position
Eaphê Commune, Krông Pắc District, Dak Lak Province		
1	Ngô Thị Minh Trinh	Vice-chairwoman, Krông Pắc DPC (0914722679)
2	H' Yer Knuôl	Head of Ethnic Minority Division
3	H' Nhoa Nê K Đăm	Vice-chair woman, Woman union
4	Y Niêm Ê Ban	Deputy Chief, District DARD
5	Ngô Thị Hương	Deputy Chief, District DOLISA
6	Ngô Thị Minh Phụng	Deputy Chief, NRD Coordination Office
7	Đặng Minh Đức	Deputy Chief, District DONRE
8	Võ Thị Thu Mai	Vice-Chairman, CPC
9	Võ Hữu Chút	Party Leader, CPC
10	Trần Văn Phước	Land Administration Officer, CPC
11	Lê Thị Huyền Trang	Poverty reduction Officer
12	Nguyễn Phần	Resident, Phước Thọ 4 Village
13	Đặng Công Chánh	Resident, Phước trạch 1 Village
14	Nguyễn Viết Hạnh	Resident, Phước Lộc 1, Village
15	Ngọc Văn Ngần	Resident, 7D, Village
16	Y Tô Nê	Resident, Puản A village
17	Đặng Văn Sung	Resident, 6A village
18	Triệu Văn Phương	Resident, Puản A village
19	H' Tuyết Niê	Resident, Phê village
20	Bùi Phương Nam	Head of division, Agricultural Development
21	Nguyễn Thị An	Deputy Chief, Provincial NRD Office
Cư Pui Commune, Krông Bông District, Dak Lak Province		
22	Lê Tuấn Anh	Provincial NRD Coordination Office
23	H' Khíp MLô	Chairwoman, Commune Women Union

	Name	Position
24	Ngô Thị Hợi	Chairwoman, Commune Father Front
25	Trần Thế Thành	Leader, Commune Communist Party
26	Nguyễn Văn Tâm	Chairman, CPC
27	Hồ Sỹ Quang	Head, District NRD Coordination Office
28	Y Kron Agun	Resident, Khuran Village
29	Mai Vi Văn	Leader, Dien Tan village
30	Nguyễn Văn Tình	Khau Village
31	Trần Thị Thuợc	Chairwoman, Dien Tan Women union
32	Nguyễn Sang	Chairman, Dien Tan commune Father Front
33	Đình Trọng Nghĩa	Agricultural Officer, CPC 0947225
34	Đặng Thị Xuyên	Resident, Dien Tan commune
35	Y Thing Mdrang	Deputy leader, Khanh village
36	Nguyễn Minh Nghiệp	Vice-Chairman, Commune Peoples Council
37	Trần Minh Hùng	Land administration and Construction Officer, CPC
38	Trương Thị Mỹ Trinh	Land administration and Environmental Officer, CPC
39	Y Kô Rbea	Resident, Khanh village
40	Y Som Bys	Leader, Khanh village
	Cư D्रm Commune, Krông Bông district, Daklak	
41	Hồ Sỹ Quang	Deputy head, NRD Coordination Office Krông Bông
42	Nguyễn Văn Hiếu	Vice-chairman, CuDram Peoples Council
43	Võ Chương	Commune Party Leader
44	Nguyễn Văn Trung	Chairman, CPC
45	Võ Thị Ly	Officer, Land administration
46	Lò Văn Mai	Leader, C, A communes
47	Lò Thị Ngọc Yến	Officer, Land administration and construction
48	Y-sự Bya	Vice-chairman, CPC
49	Y' Wil Ê Ban	Chân A village
50	Y-Chiên HD Ruê	Chân A Village
51	Y- Riêu Ê Ban	Resident, Tông Rang village
52	Ana Thuyên	Resident, Tông Rang village
53	Ama Mai	Resident, Cư D्रm Village
57	Ama Phú	Resident, Tông Rang A village
	DARD Dalak	
58	Hồ Đắc Phong	Buôn Đôn District NRD Coordination Office (NCO)
59	Nguyễn Ngọc Phú	Easup District NRD NCO
60	Hứa Chấn Trí	Cư M'gar District NCO
61	Bùi Công Lắg	EaH'Leo District NCO
62	Nguyễn Anh Khuấn	Ea H'Leo District NCO
63	Hồ Tấn Cư	Ea Kar District NCO
64	Phạm Văn Dinh	Ea Kar District NCO
65	Nguyễn Văn Dũng	Cư Kuin District NCO
66	Trần Quốc Vĩnh	Vice-Chairman, Krông Pắc DPC
67	Ngô Thị Phụng	Krông Pắc District NCO
68	Trần Trọng Nguyên	Krông Bút District NCO
69	Lê Tuấn Anh	Buôn Hồ District Town NCO
70	Nguyễn Thanh Liêm	Buôn Ma Thuật City NCO
71	Lê Ngọc Sáu	Krông Năng District NCO
72	Phạm Thị Phương Thúy	DPI

	Name	Position
73	Mr.	Ethnic Minority Board
74	Mr.	DOLISA
75	Đoàn Quang Huy	Deputy Director, EPA, DONRE
76	Vũ Văn Đông	Phó Giám đốc
77	Dương Tín Đức	Provincial NCO
78	Đoàn Ngọc Huy	Environmental Protection Agency, DONRE
79	Mr Chí	Chief, Cu M'gar District DARD
80	Mr.	Chief, Provincial Ethnic Minority Division
81	Nguyễn Chí Dũng,	Chư Quỳnh District
82	Dũng	PMU Deputy Director, Poverty Reduction Project
	Vinh Tan commune, Vinh Chau District Town, Soc Trang Province	
83	Trần Nguyên Khôi	Provincial DOLISA
84	Nguyễn Chí Công	Vice chairman, Vinh Chau district town DPC
85	Trần Hùng Anh	Leader, Vinh Tan Commune Communist Party
86	Trần Văn Tảng	Chairman, Vinh Tan commune CPC
87	Lê Minh Trương	Head, District Economic division
88	Lâm Thị Lệ Khánh	District Economic division
89	Đổng Thị Kim Đông	Chairwoman, Vinh Tan commune women union
90	Lưu Phước Quy	Chairman, Vinh Tan Commune CPC
91	Võ Văn Hào	Chairman, Veteran association
92	Trần Hoàng Khánh	Leader Commune youth Union
93	Lưu Minh Khánh	Commune Agricultural Officer
94	Võ Văn Hảo	Chairman, Father front Union
95	Phạm Quốc Hương	Resident in Tham Chu village
96	Đào Công Phước	Resident in Nam Can village
97	Lê Văn Hiến	Veterant in Nam Can village
98	Trần Văn Hùng	Resident in Nam Can village
99	Nguyễn Xu Anh	Resident in Nam Can village
100	Huỳnh Văn Phiên	Resident in Nam Can village
101	Võ Thành Công	Vinh Tan commune NRD Officer
	Soc Trang DARD	
102	Huổi Trường Sơn	Head, Vinh Chau district DOLISA
103	Lê Thị Kim Liên	Deputy Head, Thanh Tri district DOLISA
104	Lương Văn Quyết	Director, DARD
105	Tô Ngọc Tuấn	NRD Coordination Office
106	Võ Minh Thắng	Nga Nam District town DPC
107	Lâm Hoàng Ninh	Vice Chair man, Thanh Tri DPC
108	Nguyễn Thanh Phụng	Deputy Director, DARD
109	Ngô Phát Lợi	Deputy Head, DOLISA
110	Lâm Văn Vũ	Deputy Head, Long Phu district DOLISA
111	Lưu Hồng Ngọc Hiền	Deputy Head, Nguyen Lien district DOLISA
112	Nguyễn Thị Lê Nhung	Head, Nga Nam district DOLISA
113	Võ Thị Hằng Ni	Deputy Head, Chau Thanh district DOLISA
114	Nguyễn Văn Ngoãn	HS district DOLISA
115	Lê Minh Trường	Economic Unit
116	Hồng Minh Nhật	Head, City Economic Division
117	Trần Thanh Bình	Tran De district DARD

	Name	Position
118	Trần Quốc Biên	Tran De district DOLISA
119	Lâm Huỳnh Minh Thoại	Chau Thanh district DARD
120	Đỗ Văn Thước	Cu Lao Dung District DARD
121	Lê Thị Kim Tuyền	Cu Lao Dung District DOLISA
122	Lâm Văn Long	Deputy director, District DARD
123	Thạch Thị Kế Ris	Deputy Director, Ethnic minority Committee
124	Phạm Hồng Quân	My Tu district DOLISA
125	Trần Văn Tâm	My Tu DPC
126	Huỳnh Anh Dũng	Ke Sach DPC
127	Đào Đắc Hùng	My Xuyen DPC
128	Lê Văn Đăng	My Thu District DARD
129	Phạm Văn Tân	Ke Sach District DARD
	Hau Thanh Commune, Long Phu district, Soc Trang Province	
130	Tô Ngọc Tuấn	Depty Head, Provincial NRD Coordination Office
131	Nguyễn Hồng Lam	Chief, Admin unit, Provincial NRD CO
132	Nguyễn Thị Thanh Tâm	Head, Technical unit, Provincial NRD CO
133	Trần Quốc Đẹp	Resident, Ngon Hamlet
134	Trần Trung Đoàn	Resident, Ngon Hamlet
135	Võ Thanh Nghiệp	Resident, Pho Hamlet
136	Huỳnh Thị Lam	CPC Office
137	Nguyễn Công Danh	Resident, Bo Kinh Hamlet
138	Nguyễn Văn Hùng	Resident, Ngon Hamlet
139	Lê Đức Diên	Resident, Bo Kinh Hamlet
140	Trần Thanh Phong	Commune Youth Union Leader
141	Nguyễn Văn Nghiệp	Communication Officer, Comm. Party
142	Nguyễn Thanh Đức	CPC chairman
143	Trần Minh Trí	Commune Father Front Chairman
144	Phan Văn PHụng	Commune Land admin and Environment Officer
145	Huỳnh Hoàn Mỹ	CPC Vice chairman
146	Hà Công Tường	CPC Communist party Leader
147	Võ Phi Hùng	CPC Communist party, deputy Leader
148	Nguyễn Ngọc Phong	Hunger aliavation and Poverty reduction Officer
149	Chung Văn Chúa	Resident, Bo Kinh hamlet
150	Lâm Văn Vũ	District DARD
151	Trần Nguyên Khôi	Officer, DOLISA

Pictures/Photos



Consultation with the representatives from 18 provinces at the WB Office on 17 February 2017



Meeting at Eaphê Commune



Meeting at Cu'Pui Commune



Meeting at Cu'Drăm Commune



Provincial and District Level Consultation, Dak Lak DARD Office



Provincial and District Level Consultation, Soc Trang



Meeting at Hiep Thanh Commune, Long Phu District, Soc Trang

Consultation with local authorities and communities in Dak Lak and Soc Trang provinces, 27 to 31 March 2017

Annex 2: List of Protected Areas in the Program provinces

(Updated based on MONRE Decision No. 1107/BTNMT dated 12 May 2015)

	Name	Province	Zone	Land area
I	NATIONAL PARKS			
1	Ba Bể	Bắc Kạn	ĐB	10,048
6	Phia Đén- PhiaOắc	Cao Bằng	ĐB	12,261
7	Hoàng Liên	Lào Cai	TB	20,911
		Lai Châu	TB	7,598
10	Xuân Thủy	Nam Định	ĐBSH	7,100
11	Bạch Mã	Thừa Thiên Huế	BTB	34,380
		Quảng Nam	NTB	3,107
13	Phong Nha Kẻ Bàng	Quảng Bình	BTB	123,326
14	Pù Mát	Nghệ An	BTB	93,525
15	Vũ Quang	Hà Tĩnh	BTB	52,741
16	Núi Chúa	Ninh Thuận	NTB	29,865
17	Phước Bình	Ninh Thuận	NTB	19,814
22	Chư Mom Rây	Kon Tum	TN	56,434
24	Yok Đôn	Đắk Lắk Gia Lai	TN	113,854
25	Chư Yang Sin	Đắk Lắk	TN	66,980
II	NATURE CONSERVATION AREA			
1	Mường Nhé	Điện Biên	TB	45,581
7	Văn Bàn	Lào Cai	TB	25,173
13	Tây Yên Tử	Bắc Giang	ĐB	12,172
14	Kim Hỷ	Bắc Kạn	ĐB	14,772
15	Bát Đại Sơn	Hà Giang	ĐB	4,531
16	Bắc Mê	Hà Giang	ĐB	9,043
17	Du Già	Hà Giang	ĐB	11,540
18	Phong Quang	Hà Giang	ĐB	8,446
19	Tây Côn Lĩnh	Hà Giang	ĐB	15,043
31	Pù Hoạt	Nghệ An	BTB	35,723
32	Pù Huống	Nghệ An	BTB	40,187
33	Kẻ Gỗ	Hà Tĩnh	BTB	21,759
34	Bắc Hương Hóa	Quảng Trị	BTB	23,456
35	Đakrông	Quảng Trị	BTB	40,526
36	Cồn Cỏ	Quảng Trị	BTB	4,532
37	Phong Điền	Thừa Thiên Huế	BTB	41,509
38	An Toàn	Bình Định	NTB	22,545
39	Núi Ông	Bình Thuận	NTB	23,834
40	Tà Kóu	Bình Thuận	NTB	8,047
41	Hòn Cau	Bình Thuận	NTB	12,500
47	Bà Nà - Núi Chúa	Quảng Nam	NTB	2,753
48	Cù Lao Chàm	Quảng Nam	NTB	8,265
49	Sông Thanh	Quảng Nam	NTB	75,274
50	Ngọc Linh	Quảng Nam	NTB	17,576
51	Ngọc Linh	Kon Tum	TN	38,109
52	Ea Sô	Đắk Lắk	TN	24,017
53	Nam Ca	Đắk Lắk	TN	21,912
56	Kon Chư Răng	Gia Lai	TN	15,446

63	Long Khánh	Trà Vinh	ĐBSCL	868
III	SPECIES/COMMUNITY			
2	Khau Ca	Hà Giang	ĐB	2,010
3	Nam Xuân Lạc	Bắc Kạn	ĐB	1,788
4	Trùng Khánh	Cao Bằng	ĐB	9,574
6	Hương Nguyên	Thừa Thiên Huế	BTB	10,311
7	KBT Sao La	Thừa Thiên Huế	BTB	15,520
8	KBT Sao La	Quảng Nam	NTB	15,822
9	Đắk Uy	Kon Tum	TN	660
10	Ea Ral	Đắk Lắk	TN	49
11	Tráp Ksor	Đắk Lắk	TN	100
VI	LANDSCAPE CONSERVATION AREA			
2	Bản Giốc	Cao Bằng	ĐB	566
3	Lam Sơn	Cao Bằng	ĐB	75
4	Núi Lãng Đồn	Cao Bằng	ĐB	1,149
5	Pắc Bó	Cao Bằng	ĐB	1,137
6	Thăng Hen	Cao Bằng	ĐB	372
7	Trần Hưng Đạo	Cao Bằng	ĐB	1,143
8	Mường Phăng	Điện Biên	TB	10,049
22	Sóc Sơn	Hà Nội	ĐBSH	12
31	Núi Chung	Nghệ An	BTB	628
32	Núi Thần Đinh (Chùa non)	Quảng Bình	BTB	136
33	Rú Lịnh	Quảng Trị	BTB	270
34	Đường Hồ Chí Minh	Quảng Trị	BTB	5,680
36	Núi Bà	Bình Định	NTB	2,384
37	Vườn Cam Nguyễn Huệ	Bình Định	NTB	752
38	Quy Hòa-Ghềnh Ráng	Bình Định	NTB	2,163
40	Núi Thành	Quảng Nam	NTB	111
41	Mỹ Sơn	Quảng Nam	NTB	1,081
42	Nam Trà My	Quảng Nam	NTB	49
44	Hồ Lắk	Đắk Lắk	TN	10,284

Note:

- NTB: South Central region;
- TN: Central Highland;
- ĐNB: Eastern part of the South region;
- ĐBSCL: Mekong Delta;
- ĐB: North- East region;
- TB: North- West region;
- ĐBSH: Red River Delta Region;
- BTB: North Central Region;

Annex 3: Comparison of EIA requirements of World Bank and Vietnam

WB EA requirements	Vietnamese EIA requirements	Comments /Applicability of Vietnamese requirements
<p>Guiding principles</p> <p>Activities must be environmentally sound and sustainable, and thus improve decision making</p>	<p><i>The Law on Environmental Protection (LEP)</i></p> <p>Article 1: This Law provide regulations on environmental protection activities, on policies, measures and resources for environmental protection; rights and responsibilities of entities regarding environmental protection.</p> <p>Article 3: Environmental protection activities refers to the activities that keep the environment clean and beautiful, that prevent and reduce negative environmental impacts, that respond to environmental hazards that rehabilitate the environment from pollution / degradation, and environmental improvement, biodiversity protection etc...</p> <p>Article 4. “Environmental protection should be combined with socio-economic development to ensure sustainable development; environmental protection for the country should adhere to regional and global environmental protection”.</p>	<p>WB requirements and the Environmental Law statements agree on sustainable development and environmental protection principles.</p> <p>It is an obligation for the RB-SupRSWS to comply with the Environmental Law of Vietnam which follows sustainable development principles.</p>
<p>EA must be a process whose breadth, depth, and type of analysis depend on the nature, scale, and potential environmental impact of the proposed project</p>	<p><i>LEP 2014- Decree 18/2015/ND-CP</i></p> <p>Article 12: “Projects that EA is required for are listed in Annex II of this Decree”; “Investment Projects with Characteristics, scale, capacity not listed or below the threshold specified in Annex II of this Decree” are required to prepare EPP .</p>	<ul style="list-style-type: none"> - WB requirements and Decree 18/2015 agree that sub-projects are required to prepare EA based on the level of impacts and risks. - Project design – physical investments shown that affected areas of sub-projects will be existing rural land and possibly some agricultural land. -

WB EA requirements	Vietnamese EIA requirements	Comments /Applicability of Vietnamese requirements
EA must evaluate a project's potential environmental risks and impacts in its areas of influence	<p><i>LEP 2014</i></p> <p><i>Article 22 of the LEP 2014 regulates the key contents of EAs including the requirements to “assess, predict and identify the measures to manage the impacts and risks on the environment and public health of the project”</i></p>	<p>WB requirements are general requirements from a broad perspective while Vietnamese requirements tend to give detailed instructions.</p> <p>LEP 2014, Decree 18 give sufficient details to guide the understanding of the concepts related to risks, impacts and areas of influence.</p> <p>EPPs of sub-projects will follow the instructions given in LEP 2014 for impacts and risks assessment for the areas potentially affected by the project.</p>
There is a need to prevent, minimize, mitigate, or compensate for adverse environmental impacts and enhance positive impacts; Includes the process of mitigating and managing adverse environmental impacts throughout project implementation.	<p><i>LEP 2014</i></p> <p><i>Article 29 of the LEP 2014 regulates the key contents of EPP, including:</i></p> <ul style="list-style-type: none"> • <i>Project location</i> • <i>Type, technology, and scale of investments</i> • <i>Raw materials and fuels used</i> • <i>Predictions on the impacts related to waste generation, and those not related to waste generation</i> • <i>Measures to minimize the predicted impacts</i> • <i>Implementation arrangements</i> 	<p>Vietnamese legislation is limited to preventive and mitigation measures while WB requirements cover minimizing, compensatory measures and positive impact enhancement.</p> <p>The preventive and mitigation principles cover all phases throughout project implementation as required by the WB and LEP 2014.</p> <p>EPPs of sub-projects will follow the instructions given in LEP 2014 which requires that the prevention and mitigation measures are considered for all stages of project implementation</p>

WB EA requirements	Vietnamese EIA requirements	Comments /Applicability of Vietnamese requirements
EA must take into account the natural environment (air, water, and soil); human health and safety; social aspects (involuntary resettlement, indigenous peoples, and physical cultural resources);	<p><i>Revised LEP 2014</i> <i>Articles 52 to 64 cover the regulations on the protection or water, air and soil quality.</i> <i>Articles 65 to 79 cover regulations on sectoral environmental protection</i> <i>Environmental protection in public areas, residential including households and public areas are covered in articles 80to 82</i></p> <p><i>Workers health and safety, workplace sanitation issues are covered in Chapter IX of the law on labour</i></p>	<p>WB requirements and LEP 2014 covers all aspects of the environment including physical, socio-economic and cultural.</p> <p>EPPs of sub-projects will follow the instructions given in LEP 2014, Decree 18/2015/ND-CP and corresponding circular</p>
<p>The borrower must address impacts on physical cultural resources...as an integral part of the environmental assessment (EA) process. The steps elaborated below follow the EA sequence of screening; developing terms of reference (TORs); collecting baseline data; impact assessment; and formulating mitigating measures and a management plan.</p>	<p><i>LEP 2014</i> While the issuance of a new circular guiding in details the preparation of EPPs Dec is being awaited (to replace Circular 26 guiding the preparation of EPCs), it is anticipated that the key requirements will be remained. Annexes 5.2 of circular 26 (contents of EPC document) requires screening for the present of known physical cultural resources in the project area as part of discussions on geographical characteristics of the project area “...cultural, historical, religious structures and objects etc....” were explicitly spelled out.</p> <p><i>The Law on Cultural Heritage</i> Article 8: cultural heritages present within the territory of Vietnam, regardless of in-country or external origin, regardless of ownership, all are protected and values are promoted Article 32 specifies zoning of protected areas for PCRs Article 36 specifies that at appraisal stage for projects located outside the protection zone of PCR with potential environmental impacts including impacts on the landscape of the area, written appraisal documentation prepared by the relevant cultural management authorities is required.</p>	<p>EPPs of sub-projects will follow the instructions relevant Circular to be issued to replace circular 26, which allows PCRs to be screened at the environmental assessment stage so that potential impacts can be avoided, assessed and mitigated in a timely manner</p>
The Bank does not support projects that, in the Bank's	The revised Law on Biodiversity Protection (2008)	The exact locations of projects are unknown during program preparation. During implementation,

WB EA requirements	Vietnamese EIA requirements	Comments /Applicability of Vietnamese requirements
<p>opinion, involve the significant conversion or degradation of critical natural habitats.</p> <p>Wherever feasible, Bank-financed projects are sited on lands already converted (excluding any lands that in the Bank's opinion were converted in anticipation of the project).</p> <p>If the environmental assessment⁴ indicates that a project would significantly convert or degrade natural habitats, the project includes mitigation measures acceptable to the Bank. Such mitigation measures include, as appropriate, minimizing habitat loss (e.g., strategic habitat retention and post-development restoration), establishing, and maintaining an ecologically similar protected area.</p>	<p>78 Articles presented under 8 Chapters provide detailed regulations on biodiversity conservation and the rights and responsibilities of individuals and entities on biodiversity conservation and promotion.</p> <p>Article 3: <i>Biodiversity conservation</i> means the protection for the diversity of critical, typical or representative ecological systems, to protect permanent or seasonal natural habitats of wildlife, environmental landscape, unique natural beauty etc.</p> <p>Article 16: Conservation areas include national parks, biosphere conservation area, areas for species and habitat and landscape conservation.</p> <p>LEP - Decree 18/2015/ND-CP –Annex 3 Projects with EA subjected to MONRE appraisal “2. Projects using land within national parks, nature reserves, world heritage sites, projects that use from 5 ha of classified historical/cultural/landscape conservation sites, or from 10 ha of land areas within biosphere conservation areas”</p> <p>The Law on Forest Protection and Management also covers protection of specialised forests, which was defined as forests for biodiversity, ecological and landscape protection purposes.</p>	<p>subprojects/investments will be screened to exclude the proposed investments that would be implemented or affect nature reserve, national parks or ecosystem/species or landscape conservations areas listed in Decision 1107 of MONRE. With small-scale investments, no projects would be required to prepare EIAs, only EPPs or ECOP would be sufficient.</p> <p>Project design shown that affected areas of sub-projects will be existing rural land and agricultural land.</p> <p>WB requires a focus on the risks, impacts and areas of influence of sub-projects. Similarly, Decree 18/2015/ND-CP of MONRE guiding the implementation of the LEP listed in Annex 3 the types of large or sensitive projects that EIA must be appraised by MONRE, including those that use the land of national parks or nature conservation areas. Therefore, the requirements of the two system are similar. Environmental Screening of subprojects will be required in the OM.</p>

Annex 4: Environmental and Social Assessment and Action Plan Summary

Core Principle 1: Environmental and social management procedures and processes are designed to: (a) avoid, minimize or mitigate against adverse impacts; (b) promote environmental and social sustainability in program design; and (c) promote informed decision-making relating to a program's environmental and social effects.			
Key Elements	System Requirements	Key Findings	Recommendations
1.1 Bank Program procedures are backed by an adequate legal framework and regulatory authority to guide environmental and social impact assessments at the programmatic level	<p>The Constitution (Articles 29 and 31) and various laws, including the 2014 LEP, which provides provisions relevant to the core principles.</p> <p>The new LEP stipulates: (a) Environmental Protection Planning, strategic environmental assessment, environmental impact assessment, and environmental protection plans (Chapter II, Articles 8-34); (b) Environmental Protection in the usage and exploitation of natural resources including during the survey, assessment and planning for natural resources use and biodiversity (Article 29), protection and sustainable development of forestry forest (Article 36), environmental protection during the survey, exploration, exploitation and usage of natural resources and mineral resources (Articles 37, 38); (c) adaptation to climate change (Chapter IV), general regulations on climate change adaptation (article 39), produce and consume environmental friendly products (Article 44); (d) protection of water, air, soil environments (Chapter VI, articles 52 to 64), environmental protection in production, services and businesses (articles 65 to 79, environmental protection in urban and residential areas (articles 80 to 84), environmental protection in; (e) Waste Management including hazardous waste, municipal waste, wastewater, dust, noise and vibration management (Chapter IX); (f) regulations on Environmental Standard, monitoring and</p>	<p>The PforR investments are mostly small-scale and community-based thus the potential impacts are limited</p> <p>Existing manuals does not cover environmental aspects adequately</p>	<p>The manuals included guidance on environmental safeguards</p> <p>.</p>

Core Principle 1: Environmental and social management procedures and processes are designed to: (a) avoid, minimize or mitigate against adverse impacts; (b) promote environmental and social sustainability in program design; and (c) promote informed decision-making relating to a program’s environmental and social effects.			
Key Elements	System Requirements	Key Findings	Recommendations
	reporting, (Chapter XI to XIII); (g) responsibilities of various stake holders on environmental management, including governmental authorities, civil and mass organizations, communities; (h) resources for environmental protection, articles (Articles 147 to 155); (i) international cooperation on environmental protection; and (j) inspection, handling of violation, settlement of complaints and denunciation related to environment, and compensation for environmental damage (Articles 125-134)		
1.2. Incorporate recognized elements of environmental and social assessment good practice, including: 1.2a Early screening of potential effects	A screening process is in place and based on the list of projects contained in Decree 18/2015, and consists of three categories: (a) strategies, planning subject to detailed strategic environmental assessment Appendix I); (b) projects that require the preparation of a full EIA (Appendix II) and projects that EIAs are subjected to appraisal by MONRE (Appendix III); (c) projects subject to EPP with limited environmental analysis; and (d) projects that do not require EPP. (add a few sentences about Decree 18 and Circular 27 requirements)	The list of sub- projects allows for screening of projects that can be key national works. MARD issued Decision no. 1107/2015 listing the protected areas in the country, that decision could be a basis for projects to avoid impacts on such sensitive areas	The program OM include the list of protected areas according to Decision 1107 and simple environmental screening criteria to exclude the sites located in protected areas. All projects will be required to do screening and early stage of project preparation.
1.2b consideration of strategic, technical, and site alternatives (including the “no action alternative)		There are very limited alternatives for commune level small scale investments	

Core Principle 1: Environmental and social management procedures and processes are designed to: (a) avoid, minimize or mitigate against adverse impacts; (b) promote environmental and social sustainability in program design; and (c) promote informed decision-making relating to a program's environmental and social effects.			
Key Elements	System Requirements	Key Findings	Recommendations
1.2c explicit assessment of potential induced, cumulative and trans-boundary impacts;		Important cumulative impact assessments have not been explicitly required in the LEP and Decree 18/2015. Experiences indicate that most projects usually overlooked or inadequately assessed cumulative effects.	The Program investments are mostly community-based or individually, thus cumulatively will be very small and negligible.
1.2d Identification of measures to mitigate adverse environmental or social impacts that cannot be otherwise avoided or minimized	Circular 27/2015 provides guidance on the required scope of EIA and EPP documents. It is rather comprehensive and expects typical EIA reports to cover description of the existing environment; description of the project; environmental impact scoping and assessment; and environmental management and monitoring program including responsibilities and budget.	Construction impacts of project are known, Environmental Codes of Practices for small civil works have been well developed and being applied in a number of Bank-financed projects in Vietnam	The manuals will contain guidance on proper implementation of government guidelines. Project size is typically far below the minimum size that would trigger an EIA. The use of EPP is appropriate in these circumstances. ECOP should be included in the Project OM for inclusion into bidding and construction contracts where applicable. Potential social impacts will be handled through the land acquisition and Ethnic Minority guidelines and implementation.
1.2e Clear articulation of institutional responsibilities and resources to support implementation of plans	Institutional responsibilities and resources for preparation, implementation monitoring, and inspection are clearly spelled out by relevant regulations (Articles 147-155, LEP).	Environmental monitoring is effective when it is designed as part of construction monitoring. Communities play key roles in construction monitoring of commune level investments	Manuals include guidance on environmental monitoring as part of construction monitoring

Core Principle 1: Environmental and social management procedures and processes are designed to: (a) avoid, minimize or mitigate against adverse impacts; (b) promote environmental and social sustainability in program design; and (c) promote informed decision-making relating to a program's environmental and social effects.			
Key Elements	System Requirements	Key Findings	Recommendations
1.2f Responsiveness and accountability through stakeholder consultation, timely dissemination of program information, and through responsive grievance redress measures	Public consultation with relevant stakeholders, local authorities, representatives of communities and organizations directly affected by projects is required (Article 1, LEP, Article 5 for SEA,). Guideline on public consultation is provided by the regulation (Article 15, Decree 2009/2011). Disclosure of environmental management plan is only granted after approval of EIA or EPP.	<p>Commune NRD plan have been developed based on the participation of, and intensive consultation with local communities.</p> <p>Small-scale works can be done or arranged by local community thus no contractors be hired. It has become more common practice that community are trained to monitor engineering compliance of contractors, meanwhile affected people are aware of their rights to complaints and get compensations for the damaged caused by construction. It is also a motivation to push contractor to comply with environmental obligations.</p>	<p>The Program Action Plan put a strong focus on increasing transparency and public consultation for all Program aspects, including environment and social measures. Furthermore, projects will go forward only after the commune members benefitting from the project have individually agreed to make the needed financial contributions and actively participate in construction monitoring and supervision. Meanwhile, the project OM and TORs for engineering designs also require public consultation during design phase.</p> <p>This is one aspect of improving the screening criteria for the projects under the Program. As explained above, initial simple screening criteria will be developed to facilitate this process. More detailed initial guidance will be developed for the Program in which the project type, scale, location, sensitivity, and the nature and magnitude of potential impacts will be identified to classify the proposals.</p>

Core Principle 2: Environmental and social management procedures and processes are designed to avoid, minimize and mitigate against adverse effects on natural habitats and physical cultural resources resulting from program.			
Key Elements	System Requirements	Key Findings	Recommendations
2.1 Includes appropriate measures for early identification and screening of potentially important biodiversity and cultural resource areas.		This ESSA, in Annex 2, provides the list of protected areas with importance for biodiversity or cultural resources in each province. Preliminary identification of sub-projects within the Program can be screened against the very limited areas of potential interest.	This is one aspect of improving the screening criteria for the projects under the Program. As explained above, initial simple screening criteria will be developed to facilitate this process. More detailed initial guidance will be developed for the Program in which the project type, scale, location, sensitivity, and the nature and magnitude of potential impacts will be identified to classify the proposals.
2.2 Supports and promotes the conservation, maintenance, and rehabilitation of natural habitats; avoids the significant conversion or degradation of critical natural habitats, and if avoiding the significant conversion of natural habitats is not technically feasible, includes measures to mitigate or offset impacts or Program activities.		The scope and nature of the sub-projects under the Program will not impinge on natural habitats.	
2.3 Takes into account potential adverse effects on physical cultural property and, as warranted, provides adequate measures to avoid, minimize, or mitigate such effects		The scope and nature of the sub-projects under the Program is such that adverse effects on physical Cultural property can be avoided.	The OM requires that ECOP which include chance find procedures would be included in all construction contracts

Core Principle 3: Program procedures ensure adequate measures to protect public and worker safety against the potential risks associated with: (a) construction and/or operations of facilities or other operational practices developed or promoted under the program; and (b) exposure to toxic chemicals, hazardous wastes and otherwise dangerous materials.			
Key Elements	System Requirements	Key Findings	Recommendations

3.1 Ensures adequate community, individual and worker safety through the safe design, construction, operation and maintenance of physical infrastructure, or in carrying out activities that may be dependent on such infrastructure with safety measures, inspections or remedial works incorporated as needed.	There is adequate legal framework for the protection of public and worker safety against potential risks. Regulations related to these issues available in various Laws such as Vietnam Labor Law 2012.	Incorporation of legal requirements into contracts and contract supervision to mitigate against the associated risks.	
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Key Social Elements ⁵⁸	System Requirements	Key Findings	Recommendations
Avoid or minimize land acquisition and related adverse impacts;	No specific article addressing this issue The program may have minor land acquisition impact at the household level. The program may experience voluntary land donation practice.	No significant gaps	The Program will develop a voluntary donation (land or other assets) guideline applicable to the Program's activities. The guidelines will ensure that potential land donors make decisions that are based on informed consent and their own choice.
Identify and address economic and social impacts caused by land acquisition or loss of access to natural resources, including those affecting people lacking full legal rights to resources they use or occupy;			
Provide compensation sufficient to purchase replacement assets of	Socio-economic impacts of a given program could be identified through the procedures and guidelines	Compensation for lost assets is calculated at the price of transferring the assets in	The provision in 2013 Land Law on using independent land appraiser should be followed

⁵⁸ Paragraph 20, BP 9.00 Program-for-Results Financing, February 2012.

Key Social Elements ⁵⁸	System Requirements	Key Findings	Recommendations
equivalent value and to meet any necessary transitional expenses, paid before taking land or restricting access;	described in the 2013 Land Law and decree 47/2013/ND-CP. These documents laid out very detailed contents of compensation and resettlement plan (including inventory of losses, compensation, and resettlement, relocation of public infrastructures, information disclosure and finalization of such plan).	local markets or the cost of newly built structures. Local authorities are responsible to identify compensation prices for different categories of assets. Independent land valuers can be used to determine land prices, which will be reviewed by the land appraisal board before official approval by PPC.	with appropriate M&E system of participating provinces.
Provide supplemental livelihood improvement or restoration measures if taking of land causes loss of income-generating opportunity (e.g., loss of crop production or employment);	In principle, the 2013 Land Law required that resettlement condition of affected people must be better or at least equal to the original living condition and the resettlement area must be planned as part of the whole provincial plan with access to good infrastructure. The proposed Program does not severely impact household's livelihood, so this element might not apply.	No significant gaps	
Restore or replace public infrastructure and community services that may be adversely affected by the Program;	The 2013 Land Law provided that affected technical and social infrastructures will be compensated as newly built ones in accordance with the standard of competent ministries.	No significant gaps	
Undertake free, prior, and informed consultations if the Indigenous Peoples are potentially affected (positively or negatively), to determine whether there is broad community support for the Program activities;	The Decree No. 05/2011/ND-CP of January 14 th 2011 on activities related to ethnic minorities specified various supports to the maintenance of language, culture, customs and identities of these groups (article 3).	Implementation of the regulations related to Ethnic Minorities, information disclosure, information and social participation at the local level is not consistent with the policy (lack of accountability due to limited information flowing to communes).	In addition to the enforcement of existing law, the program will develop guidelines to enhance people's participation, especially for Ethnic Minorities to ensure their meaningful participation and consultation

Key Social Elements ⁵⁸	System Requirements	Key Findings	Recommendations
Ensure that the Indigenous Peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the consent of the Indigenous Peoples;	All projects affecting land, environment, life of Ethnic Minority communities, to perform information disclosure and consultations with representatives of the local authorities, affected people, ensuring that affected people will be resettled (where unavoidable) in a better condition and in a culturally appropriate manner (article 9).	Participation of ethnic minorities in decision-making remains limited.	in every step of the Program implementation.
Give attention to groups vulnerable to hardship or disadvantage, including as relevant the poor, the disabled, women and children, the elderly, or marginalized ethnic groups; and, if necessary, take special measures to promote equitable access to Program benefits;	This element is fully covered under current policies framework of Vietnam. This program itself also targets the poor and Ethnic Minority communes to enhance their accessibility to the basic social services such as piped water. In addition, poor and Ethnic Minority people are also benefiting from various Program-funded programs such as: Program 134, 135; New Rural Development Program 2010-2020; Program for most difficulty districts (program 30a).	No significant gaps	Enforcement of existing legislation with appropriate M&E and reporting systems.

Core Principle 6: Avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes.			
Key elements	System Requirements	Key Findings	Recommendations
6.1 Considers conflict risks, including distributional equity and cultural sensitivities	N/A	N/A	N/A

Annex 5: Environmental Management Requirements and Procedures

(As inputs to Manuals/Handbook prepared for Infrastructure and Production Support Manuals)

1. Eligibility of PforR Proposed Activities

To meet the requirements of the World Bank, the following types of activities will not be supported **under the PforR Program** thus must be excluded from the proposed list of PforR investments:

- a) The activities of which locations are within any protected areas such as national parks, nature reserve, biological conservation areas, cultural historical sites etc. listed in MONRE Decision no. 1107/2015/QD-BTNMT;
- b) The activities that require land acquisition within the boundary of any known existing physical cultural resources such as pagodas, churches, monuments, temples etc.
- c) Any step in the value chain such as the production, processing, marketing etc. of beverage, alcohol, drugs, tobacco; the works primarily serving the army and defense forces⁵⁹.

Therefore, screening of activities must be carried out at planning stage using the form below

⁵⁹ Although national program may still support these activities, they would not be included in the samples for verification under the PforR

Program Eligibility Screening Form			
Commune:	District	Province	
Year:			
<i>Screening Question</i>	<i>Yes</i>	<i>No</i>	<i>If Yes, specify which activity</i>
<i>... Would any of the PforR proposed activity...</i>			
1. Located within any sensitive areas such as primary natural forest, national park, nature reserve, bird sanctuary, cultural-historical sites etc. legally protected areas listed in MONRE decision no.1107/2015/QĐ-BTNMT.			
2. Require land acquisition within the boundary of any known existing physical cultural resources such as pagodas, churches, monuments, temples etc.			

Conclusion (circle)

A. All activities meet PforR Program requirements, no activity will be excluded

B. Some activities does not meet PforR Program requirements thus will be excluded. These are listed below:

.....

.....

.....

Date: / ... / ...

Prepare by:

Signature

Note: For verification under the PforR, the following activities would not be included:

- Activities that involves any step in the value chain such as the production, processing, marketing etc. of alcohol such as wine, beer, tobacco.
- Activities, schemes, structures that primarily for serving the army and defense forces.

2. Vietnamese Environmental Legal Requirements – Environmental documents requirements

The Program is required to comply with the Law on Environmental Protection (LEP) 2014, the Decree no. 18/2015/ND-CP dated 18 February 2015 guiding the implementation of LEP. The LEP and Decree no. 18 requires that Environmental Impact Assessment (EIA) or Environmental Protection Plan (EPP) must be prepared for investments projects as detailed below:

1. The activities listed in Annex IV of Decree 18/2015/ND-CP which are not required to prepare EIA or EPPs includes:
 - Training, technology transfer, marketing, trade promotion Communication and media
 - Mobile trading/shops
 - trading of domestic products
 - cattle, poultry raising with cages smaller than 50 m2, aqua cultural on water surface less than 5,000 m2
 - Household scale agricultural and forestry production
 - Construction of houses; construction of offices, guesthouses etc. smaller than 500 m2.
2. Investments projects/activities listed Annex II of Decree no. 18/2015/ND-CP dated 18 February 2015 are required to prepare Environmental Impact Assessment (EIA) during project preparation phase (article 19). Consultation with the affected communities must be conducted during the preparation of EIA (article 21, LEP). The authorities to approve EIA as specified in Article 23 of LEP. The contents and presentations of EIAs are regulated in Annex 2.3 of Circular no. 27/2015/TT-BTNMT dated 29 May 2015. The main contents of the EIA include: i) Project description; Baseline conditions; Impact Assessment; Mitigation Measures; Environmental Monitoring and Supervision Plan; Public consultation summary.
3. Investment projects/activities that are not required to prepare EIA must prepare Environmental Protection Plan (EPP) during preparation phase. The structure and contents of EPPs are regulated in Annex 2.10 of Circular no. 18. The main contents of the EPP include: General information about the project and project owner; Mitigation measures to be implemented in preparation, construction and operation phases. EPPs must be submitted to District People’s Committee for review and approval. CPC may be considered and authorised by the DPC for certifying EPP of household scale businesses to be implemented within one commune.

3. Program Environmental Management Procedure – applicable to Infrastructure

Table 5.1 - Environmental Procedures to be followed for each subproject:

Investments step	Environmental Procedure
<ul style="list-style-type: none"> • Shortlisting of proposed investments: 	<ul style="list-style-type: none"> • Screen for eligibility of the proposed activities • identify whether EIA or EPP is required by using Annex II of Decree no. 18/2015/ND-CP or consult with DONRE • Identify who will prepare EIA and EPP • If EIA is required, prepare draft TOR and contract, estimate the cost and arrange budget • If EPP is required, include the preparation of EPP into the scope of work in the Technical-Economic report
<ul style="list-style-type: none"> • Preparation of Technical-Investment report or Feasibility Study 	<ul style="list-style-type: none"> • Sign contract or arrange for EIA/EPP be prepared in parallel to Technical-Economic reports or feasibility study • (ensure ECOP are included in EIA/EPP)

<ul style="list-style-type: none"> Bidding and construction contract preparation 	<ul style="list-style-type: none"> Incorporate EIA/EPP including ECOP into construction contract
<ul style="list-style-type: none"> Construction 	<ul style="list-style-type: none"> Monitor environmental compliance

Table 5.2 - Mitigation Measures for Incorporation into Engineering design

Type of investments	Mitigation Measures
Roads	<ul style="list-style-type: none"> Slope protection by hard surface or vegetation cover (grass) Drainage, both vertical and horizontal Energy dispersion structure in drainage ditches in hilly areas Trees and flower planting along the road for shoulder protection Ensure smooth connection with roadside buildings and structures Speed control at sections passing administration center, schools, clinics etc.
Markets	<ul style="list-style-type: none"> Roof, hard surface to ensure safety, convenience during operation phase connect to water supply and power supply Drainage, public toilets Rubbish collection pit
Buildings	<ul style="list-style-type: none"> Maximize the use of natural lights to save energy consumption during operation phase Tree planting, landscaping, rainwater tank for tree/flower watering Septic tank toilets
Irrigation works	<ul style="list-style-type: none"> Safe staircase for operators/local people to access water surface Combined engineering with greening methods in embankment/slop protection if embankment is combined with road, include structures at roadside to prevent motorbikes from falling into the canal in case of accidents

4. Common Construction Impacts, Mitigation Measure

The common potential environmental impacts, risks and mitigation measures are presented in the Table below. During the preparation of Environmental Protection Plan (EPP), these should be considered for incorporation into the EPP, then into bidding document and construction contracts for implementation during construction phase.

Table 5.3 - Environmental Codes of Practice (ECOP)

Note: ECOP has been developed to address common construction impacts of all types of commune level infrastructure. When being incorporated into a specific bidding or contractual document, ECOP should be made suitable to the type and site-specific conditions of the specific works.

Issues/Risks	Mitigation Measures
Dust and air quality control	<ul style="list-style-type: none"> water spray water to dusty areas and roads cover material stockpiles and waste dumps vehicles used must comply with Vietnamese regulations controlling allowable emission limits of exhaust gases and have valid certificate on "conformity from inspection of quality, technical safety and environmental protection" following Decision No. 35/2005/QD-BGTVT; No burning of waste or materials on site.

Issues/Risks	Mitigation Measures
Water pollution	<ul style="list-style-type: none"> • Dredging works must be carried out at intervals to allow sediments to resettle • Portable or constructed toilets must be provided on site for construction workers if contractors are hired to carry out the works. • Wastewater from toilets and workers camp must be treated and not discharged directly into water sources
Disturbance to Drainage pattern	<ul style="list-style-type: none"> • Build alternate drains or ditches to ensure that rainwater would not cause localized flooding • Earthworks, cuts, and fill slopes shall be properly maintained, including measures such as installation of drains, use of plant cover. • Install sediment control structures where needed. • In the case that construction activities require that work be carried out within the watercourse (e.g. culvert or bridge, retaining wall, embankments), the work area must be dewatered to provide for construction in dry conditions. • Stream diversions or construction of cofferdams would require site-specific mitigation measures in the EMP.
Management of stockpiles and borrow pits	<ul style="list-style-type: none"> • Prepare site-specific measures for borrow pits and disposal sites • Build open ditch around the stockpile site to intercept wastewater. • Use Stockpile topsoil to restore the area to near natural conditions. • Create retaining walls to protect slopes if necessary • If access roads are needed, they must have been considered in the environmental assessment.
Solid waste	<ul style="list-style-type: none"> • Obtain waste disposal permits before construction is started. • Store solid waste temporarily on site in a designated area approved by the Construction Supervisors. • Waste storage containers shall be covered, tip-proof, weatherproof and scavenger proof. • No burning, on-site burying or dumping of solid waste shall occur. • If not removed off site, solid waste or construction debris shall be disposed of only at sites identified and approved by the Construction Supervisors.
Management of small amounts of sludge	<ul style="list-style-type: none"> • The Contractor shall prepare Dredging plan and submit to the Construction Supervisor for Review and approval. The Content of the plan shall include: <ul style="list-style-type: none"> ○ Characteristics of sludge/sediment: quantity and quality. ○ Dredging method ○ Method for temporary storage and final disposal of the dredged materials with environmental mitigation measures included
Vegetation Cover Management	<ul style="list-style-type: none"> • Reserve topsoil for rehabilitation activities where applicable • Do not use chemicals for vegetation clearing. • Prohibit cutting of any tree unless explicitly authorized. • Hunting, trapping shooting, poisoning of fauna is prohibited.
Traffic Management	<ul style="list-style-type: none"> • Place signs around the construction areas. • Assign workers to direct traffic in populated areas. • Passageways for pedestrians and vehicles within and outside construction areas should be segregated and provide for easy, safe, and appropriate access. • Signpost shall be installed appropriately in both waterways and roads where necessary.
Restoration of affected areas	<ul style="list-style-type: none"> • Reinstate areas disturbed by construction, such as borrow pits, disposal areas with adequate drainage, and revegetation if possible.
Worker and public Safety	<ul style="list-style-type: none"> • Briefing workers on occupational safety regulations • The contractor shall provide safety measures as installation of fences, barriers warning signs, lighting system around construction sites.
Chance Find Procedures	<p>If the Contractor discovers archaeological sites, historical sites, remains and objects, including graveyards and/or individual graves during excavation or construction, the Contractor shall:</p>

Issues/Risks	Mitigation Measures
	<ul style="list-style-type: none"> • Stop the construction activities in the area of the chance find; • Delineate the discovered site or area; • Secure the site and arrange night guard if necessary; • Notify the local authorities; • Construction works could resume only after permission is granted from the responsible local authorities or the Ministry of Culture, Sports and Tourism concerning safeguard of the heritage.
<p>Manage social impacts</p>	<p>Worker Codes of Conduct</p> <ol style="list-style-type: none"> 1. All workers and subcontractors shall abide by the laws and regulations of Vietnam. 2. Illegal substances, weapons and firearms shall be prohibited. 3. Pornographic material and gambling shall be prohibited. 4. Fighting (physical or verbal) shall be prohibited. 5. Workers shall not be allowed to hunt, fish or trade in wild animals. 6. No consumption of bush meat shall be allowed in camp. 7. No pets shall be allowed in camp. 8. Creating nuisances and disturbances in or near communities shall be prohibited. 9. Disrespecting local customs and traditions shall be prohibited. 10. Smoking shall be prohibited in the workplace. 11. Maintenance of appropriate standards of dress and personal hygiene shall be in effect. 12. Maintenance of appropriate hygiene standards in accommodation quarters shall be set in place. 13. Residing camp workforce visiting the local communities shall behave in a manner consistent with the Code of Conduct; and 14. Failure to comply with the Code of Conduct, or the rules, regulations, and procedures implemented at the construction camp will result in disciplinary actions.

5. Environmental Management - Production Support

5.1 Environmental Procedures applicable to Animal Husbandry

Decree 18/2015/NĐ-CP dated 14 February 2015 requires EIAs prepared for cattle/poultry farms having total area from 1000 m² (or from 500 to wild animal cages) and submit to DONRE for appraisal. For cages less than 50 m², environmental documentation is not required. For cages between 50 m²-1,000 m², Environmental Protection Plan must be prepared.

Wastewater should be treated to meet QCVN 62-MT: 2016/BTNMT. Farms discharging from 5m³/d of wastewater must apply for discharge permits

5.2 Mitigation Measures – Animal Husbandry

Table 5.2 – Recommended Mitigation measures for Animal Husbandry

Type of support	Environmental Measures
Livestock	<p><i>Siting of Cages:</i></p> <ul style="list-style-type: none"> - As far from household living area as possible - At the end of prevailing wind direction – cage should be cool in summer and warm in winter - Convenience for cleaning up, collection and management of waste and wastewater - Far from roads (for biosafety, easy to isolate in case of epidemic outburst) - Cages should be large enough for animal welfare <p><i>Waste management:</i></p> <ul style="list-style-type: none"> - Do not discharge untreated waste into the environment - Build biogas if having relative large number of big animals - Build tank with cover to store solid and liquid waste. The waste should be fermented for use as fertilizer - Clean up the cage daily, big clean up weekly - Landscape and odor management: - Plant trees surrounding the cages. Trees are good for shades, windshield, absorption of CO₂, O₂. <p><i>Prohibitions:</i></p> <p>Do not use feed containing prohibited chemical, antibiotics listed in circular no. 28/2014/TT-BNN dated on 4 September 2014 by MARD (including 21 substances: Cabuterol, cimaterol, clenbuterol, chloramphenicol, Diethylstilbestrol (DES), dimetridazole, Fenoterol, Furazolidon and Nitrofurantoin derivatives, isoxuprin, methyl-testosterone, metronidazole, 1 Noz-testosterone, ractopamine, sabutamol, terbutaline, stilbenes, trenbolone, zaranol, melamine (at concentration greater than 2.5 mg/kg, bacitracin, carbadox, and olaquidox.</p>
Poultry Raising	<p>Cages should be large enough for animal welfare (Decision 3065/QĐ-BNNPTNT – Chapter 2, article 3)</p> <ul style="list-style-type: none"> - Household cages should be separated from household living areas; farms should be far from residential areas, health care centers, markets, schools - Poultry raising areas should be bound with fences, poultries should be kept separated from livestock, sick poultries must be separated - Only raise poultry species listed in Decision 67/2005/SD/BNN dated 31/10/2015 - Tools and cages must be cleaned up after use or regularly. - Only slaughter poultry for meat at least 28 days after vaccination <p><i>Prohibitions:</i></p> <ul style="list-style-type: none"> - free-ranged grazing including on land and in waterways <p><i>Other regulations in this regulations:</i></p> <ul style="list-style-type: none"> - Chapter 3: Nursery and prohibitions - Chapter 4: transportation and prohibitions - Chapter 4: slaughtering and prohibitions

6. Mitigation Measures – Others Activities

The mitigation measures for other production supports are presented in the table below

Table 5.2 – Recommended Mitigation measures for Household -scale production activities

Type of Activities, (household/small scale)	Mitigation Measures
Cultivation	<p>Attend training and apply Vietgap, three increases three reduction, IPM</p> <p>Do not violates the prohibitions listed in Article 13 of the Law on Plant Protection and Quarantine. These include, but not limited to the followings:</p> <ul style="list-style-type: none"> • Import, produce, transport, store, trade untreated plants affected by harmful organisms or use untreated plant seeds affected by harmful organisms in the quarrentine list. • Spread harmful organisms. • Raise harmful species, except the cases permitted in writing by MARD Minister. • Use agro chemicals in Vietnam prohibited list or not in the List of Agrochemicals allowed to be used in Vietnam. <p>IPM (Integrated Pest Management) approach follows four principles:</p> <ul style="list-style-type: none"> - Use healthy seedling plants - Protect predators - Visit the field regularly - train the farmers to become experts <p>IPM methodologies:</p> <ul style="list-style-type: none"> - Quarantine and disinfection to prevent the invasion of new harmful insect species - Mechanical measures, manually catch the harmful insects, remove the affected leaves, collect and destroy the worm eggs, etc. - Cultivation methods, including thorough soil preparation and cleaning up the field, rotation of crops to limit the grow of specific insect species, sowing seeds at the right time of the year and at right density, use seed species resistant to insects - Biological method, i.e. the use of living organisms to prevent or mitigate the negative effects of harmful insects. This method include the protection of natural predators; create habitats for them, use of bio products etc. - Chemical method, which is the last choice when the previously listed methods applied but shown not to be effective in pest control
Aquaculture	<p>Do not violate the prohibitions listed in Article 6 of the Law on Fishery resources. These include, but not limited to the followings:</p> <ul style="list-style-type: none"> - Illegal obstruction movement paths of aquatic species on river, lake, bay, lagoon etc. - extract aquatic species in restricted list including those in term restrictions - encroach onshore aquatic/marine protected areas - extract fishery resources in restricted areas - Use banned tools or materials for fishery exploitation including usage of explosive, electrical impulses etc. - use of additives, chemicals in the abandoned list for aquaculture - convert land/water without permission - Use chemicals, additives, chemicals in the banned list

Type of Activities, (household/small scale)	Mitigation Measures
	<ul style="list-style-type: none">- Release fishery species affected with diseases into aquaculture ponds or natural waterbodies- Discharge untreated waste and wastewater into the environment
Salt production	Only draft decree on salt production and trading is available. Recommended environmental mitigation measures include: <ul style="list-style-type: none">- Manual salt production must follow applicable regulations on food safety and environmental protection- Raw water used for salt production must meet national drinking water quality standard,- Technicians and workers must be trained on workplace safety and food hygiene

Annex 6 – Guidance for Voluntary Land Donation (VLD)⁶⁰

Voluntary resettlement refers to any resettlement not attributable to eminent domain or other forms of land acquisition backed by powers of the state. The operative principles in voluntary resettlement are *informed consent* and *power of choice*. Informed consent means that people involved are fully knowledgeable about the project and its implications and consequences and freely agree to participate in the project. Power of choice means that the people involved have the option to agree or disagree with the land acquisition, without adverse consequences imposed formally or informally by the state.

General Principles

This practice is not encouraged in this operation given its potential implication for poor, ethnic minority households in project area. Implementing agencies must follow the below principles:

- i. People making voluntary donations are direct beneficiary of sub-project;
- ii. The location of proposed infrastructure is not fixed;
- iii. Only when displacement or significant adverse impacts on incomes or livelihood are not expected ; project impacts are minor;
- iv. Donated land is identified by the affected people
- v. Land donated must be free of squatters, or any dispute on ownership;
- vi. Verification of each voluntary donation land should be provided, and land transactions are supported by legal documentation
- vii. Affected people have the right to refuse, and consultations are conducted in a transparent manner.
- viii. Grievances mechanisms are provided.
- ix. Affected people are offered compensation for the loss

Process for Voluntary Donation

This section outlines the process that should be followed once the appropriateness of land donation is confirmed and it has been determined that it is appropriate for the land to be provided to the project by voluntary donation. It is necessary to follow a clear process for the donation, and prepare and maintain documents that demonstrate such process. Each step set out below should be addressed in the context of the specific project, and fully documented.

1. Determine and document that VLD is appropriate in the circumstances of the project.

The implementing agencies should record the reasons why they think that the donation of land is appropriate for the project. In certain cases, only some of the land the project requires will be donated or alternatives to land donation exist. The implementing agencies should identify (in as much detail as possible):

- what the land will be used for
- how much land the project will require on both a permanent and temporary basis

⁶⁰ This annex was largely adopted from the protocol for voluntary land donation developed for the Pacific Island Countries (PICs) by the East Asia and Pacific Regional Safeguards Secretariat.

- how much of the land will be donated
- what alternatives to donation exist (e.g. right of use, right of way)
- the terms of the donation
- the identities of the parties who intend to donate
- the beneficiary of the donation
- any details that are relevant to why donation may be appropriate

2. Verify the requirements to transfer, and formalize the transfer of, the land

It is important to understand the process that should be followed to transfer the land, and appropriate ways to formalize the transfer to achieve certainty for both the transferee of the land and the project. In many countries, this will require consideration of the legal and administrative requirements but also, particularly in the case of customary land, local and community processes. In some cases, these will constitute two different but parallel (and overlapping) systems and a process will have to be established to ensure that the requirements of each system are satisfied. An important consideration will be how transparent the process and the decision making process actually is, and what can be done to enhance the process.

3. Conduct due diligence on who owns and uses the land

Given the specific issues surrounding land ownership and use in the Borrower countries, it is important that the implementing agencies carry out careful due diligence to understand the type of land rights that exist in the project area, and to identify any particular issues relating to land ownership and use. Thereafter, a more specific due diligence must be conducted on each parcel of land proposed for donation to identify:

- The owner or owners of the land;
- The users of the land, or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities on the land);
- Any competing claims of ownership or use;
- Structures and assets on the land;
- Any encumbrances on the land.

It is important to (i) identify the right that is being transferred (an ownership right, a use right, a right of way etc.) and (ii) check whether the transferee actually has the right s/he claims. In many circumstances where careful due diligence has not been carried out, significant conflict has arisen at the later stage when another party claims that they have the same or competing right. In some circumstances—but not all—the transferee will have documentary evidence of such right. Where no such evidence exists, the due diligence can establish rights by speaking with local community officials and neighbors.

4. Disclosure and Consultation

The decision to donate must be taken based on a full understanding of the project and the consequences of agreeing to donate the land. Accordingly, the parties that will be affected by the donation (the owners and users of the land) must be provided with accurate and accessible information regarding what the land will be used for, for how long, and the impact the donation will have on them and their families. It is important that prior written notification indicating the location and amount of land that is sought and its intended use for the project be disclosed.

Where the intention is to deprive the parties affected by the donation of the land permanently, or for a significant length of time, this must be made clear. It should be noted that in many communities the concept of alienation of land is uncommon and difficult to understand, and care needs to be taken to ensure that the implications of this are fully understood. It is also important to decide who else should be consulted about the proposed donation; for example, spouses and older children.

There should be a clear agreement as to which party will pay the costs associated with the donated land. This could include measurement costs, documentation and notarial fees, transfer taxes, registration fees. It should also include the costs of re measuring/re titling, the transferee's remaining land and any new documentation relating to it.

5. Establishing Informed Consent

It is crucial that the implementing agencies are confident that the decision to donate was taken in circumstances of informed consent or power of choice. As discussed earlier, this means being confident that the owner(s) or user(s) of the land understand:

- what the land is going to be used for, by whom and for how long;
- that they will be deprived of the ownership or right to use the land, and what this really means;
- that they have an right to refuse to donate the land;
- whether there are alternatives to using this land;
- what they will need to do to donate the land (e.g. execute documents, get spouse consents, pay taxes);
- the effect of the donation on their family, and what they can do if they (or their family or heirs) want the land back.

The right to refuse must be a legitimate right, unconditional, and the potential transferee must be capable of exercising it in the local community and political context. For this reason, it is important to be sure that the decision to donate is undertaken without coercion, manipulation, or any form of pressure on the part of public or traditional authorities. For collective or communal land, donation must be based upon the informed consent of all individuals using or occupying the land.

6. Documentation

It is necessary to distinguish between (i) the agreement to donate the land, and (ii) the document that carries out and evidences the legal transfer of the land. While it is important to have evidence of an intention and agreement to donate the land, it is equally important to ensure, where required and appropriate, that the land is legally transferred. While the process relating to the legal transfer the land is frequently complicated and time consuming, it must be addressed. (In specific circumstances, for example where the land is being transferred to the community, it may not be necessary to legally transfer the land. However, experience indicates that lack for formal transfer can create significant uncertainty in the future, which affects the sustainability of the infrastructure and services, and can have a negative effect on community relations.)

The implementing agencies should:

- Identify the appropriate documentation, including the agreement to make the transfer and any legal documentation that may be required

- Ensure that the agreement:
 - refers to the consultation has taken place
 - sets out the terms of the transfer
 - confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure
 - attaches an accurate map of the land being transferred (boundaries, coordinates)
 - sets out who will bear the costs of the transfer (e.g. notarial fees, taxes, title issues) and documenting the residual land rights
- Ensure that all necessary parties sign the documents, including obtaining consents from spouses and children over a certain age
- Ensure that the transfer and title is registered or recorded
- Ensure that the land remaining after the donated land is excised is properly titled, registered or recorded

It is also important to maintain a record of the process that has been followed. Such documents could include the following:

- The notification indicating the location and amount of land that is sought and its intended use for the project, with a record of when and where this was made public
- Records of the consultations that were held and what was discussed
- A copy of the due diligence that was conducted
- Copies of each of the formal statements of donation, establishing informed consent as described above, and signed by each owner or user involved
- Copies of all documents, registrations or records evidencing the legal transfer the land
- A map, showing each parcel of land

The project-implementing agency should maintain a record with documentation for each parcel of land donated. Such documentation must be available for World Bank review, and for review in relation to any grievances that may arise.

7. Grievance Arrangements

The project specifies means by which donors (and, potentially, persons whose use or occupancy was not recognized in the transfer of land) may raise grievances, and measures to ensure consideration of, and timely response to, grievances raised. The grievance process includes participation of reviewers not directly affiliated with the project-implementing agency. Grievances may be referred to customary conflict mediation arrangements where they are not directly affiliated with traditional leaders who are a party to the donation process. Alternatively, grievances may be referred to grievance mechanisms established for project purposes. The grievance process imposes no cost upon those raising grievances, and participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country.

8. VLD Protocol Checklist

A complete VLD Protocol will have the following minimum contents:

Contents of the VLD Protocol	Yes	No	Remarks
<ul style="list-style-type: none"> ✓ <i>Clear justification provided on the appropriateness of VLD in the Project context.</i> ✓ <i>Explanation of the requirements of the donation and the formalization of the donation.</i> ✓ <i>Clear and detailed due diligence on the owners and users of land donated.</i> ✓ <i>Clear and detailed consultation and disclosure arrangements.</i> ✓ <i>Steps taken to establish informed consent of the person donating the land explained in detail.</i> ✓ <i>Details on documentation of the legal transfer of land donated provided.</i> ✓ <i>Detailed and appropriate grievance redress mechanism established.</i> 			