

**INTEGRATED SAFEGUARDS DATA SHEET
CONCEPT STAGE**

Report No.: AC929

Date ISDS Prepared/Updated: July 12, 2004

I. BASIC INFORMATION

A. Basic Project Data

Country: Vietnam	Project ID: P084935
Project Name: VN - Poor Communes Livelihoods & Infrastructure Program	Task Team Leader: Robin Mearns
Estimated Appraisal Date: November 1, 2005	Estimated Board Date: March 28, 2006
Managing Unit: EASRD	Lending Instrument: Specific Investment Loan
Sector: General agriculture, fishing and forestry sector (60%);Sub-national government administration (40%)	Theme: Rural services and infrastructure (P);Participation and civic engagement (P);Public expenditure, financial management and procurement (S);Decentralization (S)
Safeguard Policies Specialists in the task team: Mr. Vinh Quoc Duong (Environment); Ms. Hoa Pham Thi Mong and Mr. Quang Ngoc Bui (Social)	
Loan/Credit amount (\$m.): IDA: 100	
Other financing amounts by source:	(\$m)
BORROWER	20
UK: BRITISH DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (DFID)	20

B. Project Objectives [from section 2 of PCN]

The proposed operation would reduce poverty and foster secure and sustainable livelihoods for those living in the country's poorest and most marginal communes. In particular, it would enhance performance of GoV's targeted programs with respect to local-level empowerment, transparency and accountability; poverty targeting; and monitoring and evaluation (M&E).

Expected *key performance indicators* would include (to be further specified during preparation):

- Empowerment of local communities and ethnic minorities, assessed against their demonstrated capacity in directly managing investments and use of citizen report cards;
- Instrumental benefits of empowerment seen in higher quality and cost-effectiveness of basic infrastructure investments in participating communes, by comparison with those in non-program communes;

- Poverty targeting as shown by the percentages of poor people included and non-poor excluded, and percentage of program investments that reach or benefit the poorest quintile of the population; and
- Improved process monitoring and impact evaluation mechanisms applied in practice and used to inform ongoing implementation.

C. Project Description [from section 3 of PCN]

Alternative financing modalities. The proposed operation seeks to exploit a unique window of opportunity to work directly with GoV and interested donors in the re-design of and support for the country's NTP for the period 2006-2010. It could support an ambitious SWAp, a repeater project, or some hybrid of the two, the choice of which would depend on: (a) the quality of the collaborative re-design process among concerned GoV agencies and between GoV and donors; and (b) the degree to which GoV and donors reach a common understanding on technical design considerations including fiduciary risks and mitigation strategies. For a SWAp to be feasible, Bank and other donors would agree to support GoV's NTP budget. GoV's own implementation procedures would be followed, with appropriate modifications to address jointly-assessed fiduciary risks. Whether through a SWAp, a repeater project, or a hybrid, the Bank would seek to support the same development objectives and apply similar key performance indicators.

Preliminary components. The following preliminary components are envisaged, although detailed technical content would become clear only through the collaborative process of program or project preparation:

Institutional and Human Capacity Building (US\$ 15 million): strengthening of institutional and human capacity, particularly at commune and village levels, in participatory budgeting and investment planning, community participation in procurement, construction supervision, and O&M. It would also include sensitization and training of higher-level (e.g. district) government staff to better equip them to facilitate local development efforts. Public information dissemination and awareness-raising campaigns would be supported to ensure gender and ethnic minority inclusion, transparency and accountability, with materials developed to meet their specific needs (e.g. in minority languages in addition to Kinh).

Livelihoods Support and Commune-Level Infrastructure Improvement (US\$120 million): support for investments in village- and commune-level basic infrastructure and activities aimed directly at enhancing the livelihoods of poor households. The balance between basic infrastructure investments and improved service delivery would be determined during preparation. Early indications suggest that GoV is concerned to see greater support for: promoting access to and use of market information; rural and micro-finance including crop or livestock insurance; skills training; and start-up investments in support of farmer associations or other rural producer groups.

Monitoring and Evaluation, and Project Support Services (US\$ 5 million): support for, *inter alia*: (i) a participatory M&E system; (ii) a computerized management information system (MIS) permitting tracking of inputs, outputs, and processes; (iv) internal and external auditing, including technical/ cost-effectiveness audits as well as financial audits; (v) periodic impact assessments; and (vi) development and institutionalization of a complaints-handling procedure to enhance program transparency and accountability.

D. Project location (if known)

Not yet known, since area- and commune-selection would be determined during program design. However, improvement in poverty targeting is one of the strategic areas in which Bank support would be expected to add value under the proposed program. Recent poverty mapping work to the commune level suggests that there are particular concentrations of deep poverty in northwestern and northeastern Vietnam, and in parts of the Central Highlands, and these might be expected to be included in the proposed program.

E. Borrower's Institutional Capacity for Safeguard Policies [from PCN]

Based on ongoing experience under the IDA-supported Northern Mountains Poverty Reduction and Community Based Rural Infrastructure Projects, the Borrower has limited but growing institutional capacity to apply policy frameworks to ensure compliance with the Bank's environmental and social safeguard policies.

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Applicable?	Safeguard Policy If Applicable, How Might It Apply?
[X]	<u>Environmental Assessment (OP/BP 4.01)</u> The safeguard policy is likely to be triggered, given that a large number of small-scale investments would be made in village- and commune-level infrastructure. While individual sub-projects are expected to be small and limited in environmental impact, their cumulative impact could be significant. The risks are expected to be technically and institutionally manageable, and would be addressed through the application of a program- or project-specific Environmental Management Plan and screening procedure to ensure that environmental impact assessment is carried out where necessary and to the standards indicated.
[]	<u>Natural Habitats (OP/BP 4.04)</u>
[]	<u>Pest Management (OP 4.09)</u>
[X]	<u>Involuntary Resettlement (OP/BP 4.12)</u> This safeguard policy may be triggered, if GoV's re-designed targeted program(s) for 2006-2010 continue to include resettlement and 'sedentarization' of ethnic minority groups. Much depends on precisely how such activities are to be supported, if at all. This will be determined during preparation and appropriate mitigation measures applied where relevant. Small-scale infrastructure schemes financed under the program could also entail loss of small amounts of land, trees, crops or other productive assets for individual households, and a Resettlement Policy Framework would therefore be prepared by the Borrower during preparation and applied during implementation.
[X]	<u>Indigenous Peoples (OD 4.20)</u> The safeguard policy is likely to be triggered, since the project activities would be concentrated in areas of highest concentrations of ethnic minority populations. The impact of the project is expected to be strongly positive, in that it specifically sets out to promote ethnic minority inclusion in GoV's poverty-targeted programs. This would be further ensured through the application of a program- or project-specific Ethnic Minority

	Participation Framework including, <i>inter alia</i> , public information dissemination and awareness-raising campaigns to ensure ethnic minority inclusion, with materials developed in minority languages in addition to Kinh.
<input type="checkbox"/>	Forests (OP/BP 4.36)
<input type="checkbox"/>	Safety of Dams (OP/BP 4.37)
<input type="checkbox"/>	Cultural Property (draft OP 4.11 - OPN 11.03)
<input type="checkbox"/>	Projects in Disputed Areas (OP/BP/GP 7.60)*
<input type="checkbox"/>	Projects on International Waterways (OP/BP/GP 7.50)

Environmental Assessment Category:

A B C FI TBD (to be determined)

If TBD, explain determinants of classification and give steps that will be taken to determine that EA category (mandatory):

III. SAFEGUARD PREPARATION PLAN

- A. Target date for the Quality Enhancement Review (QER), at which time the PAD-stage ISDS would be prepared. **March 2005**
- B. For simple projects that will not require a QER, the target date for preparing the PAD-stage ISDS. **Not applicable**
- C. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS. **Interim work is planned to be carried out by EASES on Government of Vietnam's policies and programs concerning resettlement and 'sedentarization' of ethnic minority groups, in order to determine their scope and implications for the World Bank's social safeguard policies. A preliminary report will be made available by the time of the planned PCN continuation meeting scheduled for November 2004.**

IV. APPROVALS

<i>Signed and submitted by:</i>		
Task Team Leader:	Robin Mearns	July 12, 2004
<i>Approved by:</i>		

* *By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas*

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in-country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

Regional Safeguards Coordinator:	Glenn Morgan	Date
Comments		
Sector Manager:	Hoonae Kim	Date
Comments		