APPLICATION FOR AN IDRC RESEARCH GRANT

SECTION A: SUMMARY OF PROPOSED RESEARCH PROJECT

Project Title:
"IMPROVEMENT AND IMPLEMENTATION OF THE COMMUNITY-BASED POVERTY MONITORING SYSTEM IN VIETNAM"

Estimated Duration:
24 months, from July 2006 to June 2008.

Countries in which research will take place: VIETNAM

Estimated Budget:
- IDRC contribution: 50,000 USD (equivalent to 810,000,000 VND)
- Recipient's contribution: 24,000 USD (equivalent to 388,800,000 VND)

General Objective:
To improve the monitoring and measurement of poverty and to enhance the capacity of Vietnamese local planners and program implementers in the field of poverty monitoring and socio-economic policy analysis for poverty alleviation.

Specific objectives:
1. To expand and institutionalize an appropriate methodology of CBMS and to provide technical assistance for capacity building and implementing CBMS at localities.
2. To understand better the causes and consequences of poverty, to propose alternative poverty reduction policies, and to improve the monitoring and measurement of poverty.

Abstract:
In the framework of the IDRC-sponsored research project on "Rural Poverty Monitoring in Vietnam" in 2002-2005, CBMS has been piloted in several localities in Vietnam. The proposed project attempts to strengthen the poverty analysis and monitoring capacity of planners and program implementers at the national and local levels in order to extend scope and to increase quality of CBMS implementation. The project will collaborate with local government agencies, NGOs and local academic institutions to provide technical support for implementation of CBMS in 3 provinces: (i) Ha Tay province (in the delta area), (ii) Yen Bai province (in the northern mountainous area); (iii) Lam Dong province (in the southern...
mountainous area). In each locality, a system of poverty observatories including typical communes from different districts will be selected. A community-based baseline survey (census) will be conducted in the first year in the selected communes and annual sampled surveys will be designed for the later years. The project will support local partners in collecting and processing data, disseminating results, conducting poverty analysis, elaborating poverty reduction policy.

**ADMINISTRATIVE INFORMATION**

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**Collaborating institutions**

1. Department of Labour, Invalids and Social Affairs, Ha Tay Province.  
2. Department of Labour, Invalids and Social Affairs, Yen Bai Province.  
3. Centre for Poverty Reduction, Da Lat University, Lam Dong Province.  
SECTION B: DETAILS OF RESEARCH PROJECT

RESEARCH PROBLEM AND JUSTIFICATION:

In the last decade, Vietnam has made impressive progress in reducing poverty. According to the Vietnam Living Standard Surveys, the poverty rate dropped from 58.1% in 1993 to 37.4% in 1998, 28.9% in 2002, and 24.1% in 2004. The number of the poor has decreased from 40.4 million persons in 1993 to 19.7 million persons in 2004. Despite of this considerable progress in reducing poverty, poverty still remains widespread in Vietnam. In 2005, the Vietnam's Government has approved the National Target Programme on Poverty Reduction in the 2006-2010 period with a key viewpoint that the poverty reduction work will be carried out in a more comprehensive, more equitable, sustainable and integrating manner. New poverty lines are promulgated. Localities have to do survey to assess the poverty rates.

Targeting the poor and evaluating the progress of poverty reduction programs require reliable information on poverty situation. This requires to define poor status and to deliver support to poor individuals, households, and communities. At the national level, the household living standard survey is decided by the Government to be conducted periodically every two years to supply socio-economic information on households, included poverty situation. The Target Programme on Poverty Reduction has also planned to implement a poverty monitoring system that based on annual sampled survey in order to assess the implementation of poverty reduction policies. However, the poverty assessment at local level (province, district, commune and village) has still not adequate quality. The communities identify poor households, basing only on income survey.

In the framework of the IDRC-sponsored research project on "Rural Poverty Monitoring in Vietnam" in 2002-2005, CBMS has been piloted in several localities in Vietnam in the some last years. Relatively simple questionnaires have been used for collecting data on basic needs. Approximately 20 indicators reflecting commune's and household's access to food, safe water, housing, employment, healthcare, education and income are implemented in community-based survey.

The CBMS methodology has been tested and used in establishing poverty observatory systems at the national and provincial levels. At the national level, in cooperation with the Managing Office of the National Program for Poverty Reduction (HEPR), CBMS has been used in 20 communes during two years 2002 and 2003. At the local level, CBMS has been implemented in two provinces – Ha Tay province in the Red River Delta and Yen Bai in the northern mountainous region. In each province, a system of poverty observatories has been established (with 30 communes in Ha Tay province and 10 communes in Yen Bai province). Two rounds of surveys have been conducted in 2003 and 2004. The collected data has been used in annual poverty monitoring and evaluation of the implementation of poverty reduction measures during 2003-2005.

Results of CBMS have been highly assessed by users, namely the provincial authorities responsible for implementation of poverty reduction programs. Several provinces request technical assistance in implementation of CBMS. In order to develop CBMS methodology and practical experiences of CBMS implementation, it's needed to do further methodological research and to provide technical assistance for localities to conduct pilot implementation at
different local level: provincial, district/municipal and commune levels; and to organize experience exchange between local authorities and NGOs.

OBJECTIVES

General Objective:
To improve the monitoring and measurement of poverty and to enhance the capacity of Vietnamese local planners and program implementers in the field of poverty monitoring and socio-economic policy analysis for poverty alleviation.

Specific objectives:
1. To expand and institutionalize an appropriate methodology of CBMS and to provide technical assistance for capacity building and implementing CBMS at localities.
2. To understand better the causes and consequences of poverty, to propose alternative poverty reduction policies, and to improve the monitoring and measurement of poverty.

RESEARCH ACTIVITIES, METHODOLOGY AND EXPECTED RESULTS

In accordance with the two above mentioned specific objectives, the following activities and methodologies will be implemented to deliver the mentioned expected results.

The first specific objective: To expand and institutionalize an appropriate methodology of CBMS and to provide technical assistance for capacity building and implementing CBMS at localities.

Based on the tested CBMS methodology in the previous phase of research, the project will improve tools, survey procedure and organisational preparation to ensure the suitability of the tools and methods to the local context.

a) Improving set of indicators and survey tools:

There are three main sets of indicators: the community situation, household living standards and implementation of poverty reduction policies and measures.

- Indicators at the community level include nine groups:
  - **Demography and ethnicity.**
  - **Land**: agricultural land area per capita, ratio of households without or in lack of land.
  - **Employment**: major economic activities of population, proportion in agricultural and non-agricultural sectors.
  - **Health**: ratio of malnourished children, ratio of child death, capacity of commune medical stations, number of medical staff per 1,000 people.
  - **Education**: availability of school in community, illiteracy ratio, school enrolment ratio of primary school-age children, number of teachers per 1,000 people.
  - **Living conditions**: availability of community to electricity, roads and clean water.
  - **Communication and information**: availability of commune markets, post office, radio and TV broadcast, number of telephones per 1,000 households.
- Participation in social activities: number of members in political and social organizations.
- Gender relationship: number of female leaders in local administrative apparatus and female members in social organizations.

- Indicator set at the household level includes seven groups:
  - Household’s resources: land, laborers and production assets.
  - Employment: sectoral structure of occupation, status of employment.
  - Housing: type of dwelling and availability of basic living conditions such as safe water, electricity and sanitary toilets.
  - Income: average income per capita, household’s income structure.
  - Expenditures: Expenses for basic needs: food, clothing, housing, transportation, education, healthcare, social and community relationship, etc.
  - Education: illiteracy ratio, school enrolment ratio of primary school-age children, number of televisions and radio.
  - Health: proportion of chronically sick people and access to medical services.

(iii) Indicator set on the implementation of poverty reduction policies and measures:
- Poverty rate and assessment on reasons of poverty.
- Support to the poor in healthcare.
- Support to the poor in education.
- Support to the poor in improving housing conditions.
- Provision of credit to the poor.
- Training and agricultural extension.
- Other measures of safety nets.

These three sets of indicators have to be revised and changed in accordance with the objectives of the newly promulgated National Targeted Program for Poverty Reduction in 2006-2010, the Vietnam's Millennium Development Goals, and the new 5-year National Socio-Economic Development Plan for the period of 2006-2010.

- Data collection:
In all selected communes, local people will be in charge of data collection, quick data processing and validation. Enumerators will be selected from village heads, commune administration, staff of local mass organisations, and local intellectuals (teachers, students, etc.). In each commune, members of the existing Commune Council for Poverty Reduction (CCPR) which includes leaders of the local administration, political and mass organisations will be involved in CBMS management. The project team will take responsibility for training and supervising the data collection process.

- Data processing:
A set of output data forms will be designed for the manual data processing at the hamlet and commune levels. Local enumerators can use these forms for quick data processing with some
few core indicators and for resuming and reporting to administration of higher levels. Depending on the capacity of the local staff, a computerised database based on a popular software (such as Excel or Access) will be designed and given to the provincial and district agencies.

- **Data validation:**

The results of the survey will be presented to community. Representatives of local social groups (local administration, mass organisations, social groups) will be informed on the survey results; they will discuss and give feedback on the accuracy of survey and on the problems their community faces.

Validation will be realised in form of meetings, supplying information in hard copy (list of the poor households, tables of core indicators, short survey reports, etc.).

- **Data use and dissemination:**

Results of the survey will be provided to provincial and district authorities in form of database and reports on data analysis, as well as presented in form of commune booklets for community use. Staff of the provincial managing office of the poverty reduction program will be trained on database use and poverty analysis.

- **Scope of piloting CBMS:**

In 2005, in accordance with the Government's promulgation of the new poverty line, the province has conducted a poverty census, which based mainly on income indicator. With aims to supply data for assessment of multi-dimensional poverty and welfare in accordance with the new national poverty line, the project will support some provinces to conduct poverty census in some selected communes with the described CBMS methodology. Data collected from this census of sampled communes will be used as baseline poverty assessment of the 5-year period 2006-2010 and will supply information on different aspects of livelihood.

Three provinces Ha Tay, Yen Bai and Lam Dong will be selected for implementation of CBMS. The reasons for selection are as follows:

- They are representing different types of regions and also different poverty characteristics in Vietnam.

- In the previous studies, they were pilot sites of CBMS, therefore data are available for comparison and analysis.

- These provinces may be selected by the National Targeted Program for Poverty Reduction as sites for piloting the new poverty monitoring and appraisal system. In this context, implementation of CBMS here might be integrated to this system and has more chance to be institutionalized.

Due to research budget limit, the coverage of CBMS implementation in these three provinces is certainly limited.

*Ha Tay province* represents for provinces in the northern delta (the Red River Delta). This province has a population of 1.5 mill. people, 14 districts (2 towns and 12 rural districts), and 320 communes. During the previous phase of the research, two rounds of sampled survey were piloted in 30 communes. The project will provide technical support to local authorities.
to conduct a census in 10 selected communes in 10 districts, which represent different types of communities in the province. Data collected from this census of approximately 10,000 – 12,000 households.

*Yen Bai province* represents for provinces in the northern mountainous area. It's one of the poorest provinces in the country. This province has a population of 0.8 mill. persons, 10 districts (2 towns and 8 rural districts), 110 communes. Half of population is ethnic minorities. The established poverty observatory system includes 10 communes, representing for 2 towns and 8 districts. It's proposed that the project will provide technical support to local authorities to conduct a census in these 10 selected communes. The number of households is approx. 10,000.

*Lam Dong province* is located in the southern mountainous region. This province has population of 1.2 mill. people, 12 districts (2 towns and 10 rural districts), 146 communes. In the first year, the project will pilot CBMS (census) for 3 communes with total number of approx. 3000 households.

Total number of surveyed households is approx. 23,000 – 25,000 households.

**The second specific objective:** *To understand better the causes and consequences of poverty, to propose alternative poverty reduction policies, and to improve the monitoring and measurement of poverty.*

Data sets collected from CBMS in communes of 3 surveyed provinces will be analyzed with aims to formulate the multidimensional poverty profile highlighting mountain/delta, geo-economic disparities, identifying specific socio-economic poverty groups, especially ethnic
minority groups. Policy analysis and assessment will be conducted in order to raise recommendations on poverty reduction policy-making.

Based on survey results, the project will continue to improve the methodology of calculation and use of a composite poverty indicator (or a poverty index), which reflect multi-dimensional nature of poverty in form of a relatively simple and usable indicator. This methodology has been studied in the previous phase of research.

Experiences of three CBMS-piloted provinces will be shared to other provinces through a workshop to be organized by the project team in cooperation with the Managing Office of the National Target Program for Poverty Reduction. The methodology of CBMS will be recommended to be integrated into the national poverty monitoring and appraisal, and to be used for poverty monitoring at the province, district and commune levels.

**Expected results:**

**Result #1:**
- CBMS will be implemented in 3 provinces. Collected data will be used for poverty reduction and rural development planning and poverty monitoring.
- A complete methodology of a quick and community-based survey will be transferred to local partners to monitor regularly poverty.

**Result #2:**
- Working reports reflecting poverty situation, problems and resolutions will be completed and published in scientific journal and website.
- The methodology of calculation and implementation of composite poverty indicator (or poverty index) will be developed.
- Disseminating workshops will be organized.

**USERS AND BENEFICIARIES**

Direct users of the research results will be the policy-making agencies which related to rural development and poverty alleviation, such as the Managing Office of the National Target Program for Poverty Reduction, Provincial and District Departments of Labour, Invalids and Social Affairs, and local mass organisations, which participate in poverty reduction activities, such as the Women's Union, the Farmer's Union, etc.

Research findings and CBMS practical experiences will be disseminated and exchanged with aims to extent CBMS to other localities.

**INSTITUTIONS AND PERSONNEL**

**Institutions:**
The Socio-Economic Development Centre (SEDEC) is the main institution implementing the project.
SEDEC is a non-governmental research and consulting institution. It was established in March 1994 with headquarters in Hanoi.

The tasks of SEDEC are:
- To conduct research on issues of development in Vietnam.
- To provide consultant services in the field of socio-economic development, technological transfer and economic management.
- To work out investment and development projects of localities and communities, to search financial and technical support for their realisation.
- To train economic managers and social workers.

Attention paid by SEDEC in current time to the following issues:
- Analysis of tendencies and impacts of current economic reforms in Vietnam on socio-economic situation of different social groups.
- Analysis of poverty in rural and urban areas, its reasons, relations between poverty and macro-policies, community institutions, socio-economic conditions of households. Working out of recommendations on anti-poverty policies and measures.
- Creation of new jobs and generation of income for rural and urban population, especially for vulnerable groups, such as population in mountainous areas, women, disabled people.
- Analysis of impacts of socio-economic factors on sustainable development of the country, in particular on protection of natural environment, especially in forestry fields, coastal areas, land allocation and use.
- Providing assistance to management, evaluation and monitoring of development projects.

**ADMINISTRATIVE INFORMATION**

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2. Department of Labour, Invalids and Social Affairs, Yen Bai Province.
3. Centre for Poverty Reduction, Da Lat University, Lam Dong Province.

**Personnel:**

*a/ Project leader :*

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**Experiences :**

+ 1994-present: Vice Director of SEDEC.
+ 1995-present: Editor-in-Chief of Vietnam's Socio-Economic Development Review (a social science review published quarterly in English).
+ **Publications:**
  - About 40 articles in different Vietnamese and foreign economic and social science reviews on problems of socio-economic development in Vietnam.
  - Co-author and editor of 20 books on socio-economic development problems in Vietnam and Asia.

*b/ The main researchers participating in the project :*

1. Le Van Hoang, Head of Section of Social Protection, Department of Labour, Invalids and Social Affairs, Ha Tay Province.
2. Nguyen Binh Minh, Head of Section of Social Protection, Department of Labour, Invalids and Social Affairs, Yen Bai Province.
3. Nguyen Tuan Tai, Ph.D, Director of Centre for Poverty Reduction, Da Lat University, Lam Dong Province.
4. Tran Huu Trung, Ph.D, Director, Managing Office of the National Program for Poverty Reduction, Ministry of Labour, Invalids and Social Affairs.
SECTION C: PROPOSED BUDGET AND TIMETABLE

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