Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 14-Dec-2018 | Report No: PIDISDSA25687
# BASIC INFORMATION

## A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Project Name</th>
<th>Parent Project ID (if any)</th>
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<td>Vietnam</td>
<td>P168290</td>
<td>Vietnam - Dynamic Cities Integrated Development Project</td>
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<td></td>
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<tr>
<td>EAST ASIA AND PACIFIC</td>
<td>21-Jan-2019</td>
<td>25-Apr-2019</td>
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<tr>
<th>Financing Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
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<tr>
<td>Investment Project Financing</td>
<td>Socialist Republic of Vietnam</td>
<td>Thanh Hoa Provincial People's Committee, Ky Anh People's Committee, Hai Duong City People's Committee, Yen Bai Provincial People's Committee</td>
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**Proposed Development Objective(s)**

To improve access to urban infrastructure and to improve integrated urban planning in the project cities.

**Components**

Component 1: Structural Investments - Rehabilitation and Construction of Resilient Urban Infrastructure  
Component 2: Non-Structural Investments - Technical Assistance and Implementation Support

## PROJECT FINANCING DATA (US$, Millions)

### SUMMARY

<p>| | |</p>
<table>
<thead>
<tr>
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<tr>
<td>Total Project Cost</td>
<td>269.90</td>
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<tr>
<td>Total Financing</td>
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</tr>
<tr>
<td>of which IBRD/IDA</td>
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<td>Financing Gap</td>
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### DETAILS
**B. Introduction and Context**

**Country Context**

Vietnam has sustained rapid economic growth rates since the introduction of the Doi Moi reforms in the late 1980s, allowing the country to transform from a low-income economy to a middle-income economy in one generation. With GDP growth averaging 6.7% annually, real GDP per capita more than quadrupled over the thirty-year period from 1987 to 2017. Economic growth coupled with the government’s strong focus on inclusive social development has enabled Vietnam to drastically reduce the incidence of extreme poverty and broaden prosperity. By the World Bank’s measure of shared prosperity (i.e., the income growth of the bottom 40% of the population), Vietnam is one of the most noteworthy cases of long-term shared prosperity globally. The pace of economic growth is expected to continue, with the country’s Socio-Economic Development Plan (SEDP) for 2016-2020 setting out an annual growth target of 6.5-7.0%.

As is common for developing and industrializing economies, urban growth has accompanied Vietnam’s rapid economic expansion, with the fastest urban population growth concentrated in and around Hanoi and Ho Chi Minh City (HCMC). The urban population has grown by 3.1% annually, with half the country’s population expected to live in urban areas by 2040.\(^1\) While peri-urban areas around the two major cities have benefitted from their proximity to key economic drivers, regions elsewhere in the country are at risk of falling behind. The World Bank’s *Vietnam Urbanization Review* (2011) highlighted that access to basic services, such as sanitation, drainage and quality of water, remains low in secondary cities as compared to large cities. For example, while the access rates to hygienic water ranges from 90-96% in HCMC and Hanoi, Class II to III cities have access rates of only 50-70%. Similarly, while the access rate to sanitation with connection is above 80% in both HCMC and Hanoi, lower class cities have access rates as low as 15%. Only 7.6% of cities and urban areas have appropriate wastewater collection and treatment systems; while the rates are relatively high among Special, Class I, and Class II cities, the majority of cities categorized Class III and below still lack wastewater collection and disposal systems.

\(^1\) Vietnam Urbanization Review (World Bank 2011); World Development Indicators (World Bank).
Another critical emerging issue is the increased vulnerability of urban areas to climate change variations. Increased incidences of flooding and rising sea levels can have potentially dramatic effects on economies and populations; industries such as shipping, agriculture, and tourism, for example, may face significant pressure in vulnerable low-lying areas. Vietnam was ranked 5th globally among countries affected by climate change in 2016, with over US$ 4 trillion in absolute losses due to prolonged drought, tropical storms and cyclones, as well as severe flooding.4

In recognition of the strategic role of urbanization in achieving Vietnam’s goals of industrialization and modernization, the Government of Vietnam (GoV) developed the Framework Master Plan for Urban Development in Viet Nam to 2025 and Vision to 2050 (hereby referred to as the National Master Plan) in 2009. Under the National Master Plan, the urban population is expected to accelerate to 5.3% annually, reaching 52 million by 2025. While Vietnam has made overall improvements in reducing poverty and regional inequality, the growing pace of urbanization, the demands of an ever-evolving growth model, and the increasing risks from climate change indicate that well-planned and well-managed urban growth is critical for the country to continue its transformation into a high-income economy.

### Sectoral and Institutional Context

#### Current Urbanization Trends

Urban areas currently account for 34% of Vietnam’s population and contribute more than half of national GDP.5 Global evidence suggests that the benefits from urban growth come from encouraging economic densification, which allows cities to harness the agglomeration economies that enhance productivity, spur innovation and economic diversification, and facilitate more efficient service delivery. However, a notable characteristic of urban development in Vietnam has been low and stagnant levels of urban density. Between 2000 and 2015, urban density remained at 18.9 urban residents per hectare even as urban land expanded by over 650,000 hectares.6 Increasingly fragmented urbanization is driven in part by Vietnam’s current City Classification System (CCS), which provides fiscal incentives for rapid land conversion and physical expansion of cities, with little emphasis placed on urban density.7 In an analysis of seven cities that attained Class I status between 2009 and 2011, all but one city failed to meet the minimum standards for urban density, implying that other factors, such as the non-agricultural labor population and development

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2 Ministry of Construction data (September 2018).
3 General Statistic Office data (2017).
4 Global Climate Risk Index 2018 (Germanwatch); https://reliefweb.int/sites/reliefweb.int/files/resources/20432.pdf
7 The CCS was developed in 1990 by the Ministry of Construction and amended in 2001 and 2009. Its original goal was to spur the development of cities using indicators set by the GoV to determine budget transfer allocations, thus influencing local choices and investment allocations. The classification of cities under this system falls into four categories: special, first class (I), second class (II), and third class (III); while the status of townships falls into two categories: (IV) fourth class and (V) fifth class.
Services that promote opportunities for both men and women to benefit from and contribute to local economies are important for cities in stimulating economic growth. In Vietnam, however, women’s household and care responsibilities constrain their ability to work on equal terms as men. There is a gender gap in the share of urban women engaged in paid work compared to men. In 2014, the proportion of female workers without an employment contract was 47.8%, while this ratio among male laborers was 37.5% in urban areas.\(^8\) By late 2016, Vietnam had counted 325 industrial parks (IPs) that had provided employment to nearly three million people, with 40 percent being females, most of whom were at the child-bearing age (under 35).\(^9\) A serious lack of childcare services in areas with IPs and export processing zones (EPZs) in cities has made women face difficulties in maintaining jobs after maternal leave.\(^10\)

**Role of Secondary Cities.** The National Master Plan focuses on achieving balanced and strategic growth through a national urban system, consisting of urban centers of various grades and types distributed throughout the country. Specifically, it envisages the development of secondary and tertiary cities as hubs to drive development within larger urban areas and provinces. This is consistent with international experience, where there is growing recognition of the role of secondary cities as catalysts in facilitating localization economies and the efficient transfer of goods, people, services, and information within a system of cities at different levels (i.e., metropolitan, regional, national, and global).\(^11\) Balanced regional development and appropriate definitions of functions among different hierarchies of urban areas are of great importance. For example, large cities should provide a diverse range of services and connect to external areas, thus promoting international competitiveness, while secondary cities should focus on specialized manufacturing activities. Many countries have been successful with this development pattern.\(^12\)

As Vietnam seeks to sustain an ambitious growth trajectory, nurturing secondary cities that have demonstrated the economic potential to play a greater role in enhancing productivity and growth will be essential. However, it remains a challenge for many secondary cities to raise capital and attract the investment required to build infrastructure and support communities that are critical to create dynamic economies, improved livelihoods, and jobs.\(^13\) Demand for basic infrastructure remains high in smaller cities in Vietnam—many still lack wastewater treatment facilities while public transport networks often do not exist. Poor provision of infrastructure has implications both for the quality of life for existing residents, as well as on the attractiveness of the city for further investment and growth.

**Vulnerability to Climate Change Risks.** Compounding the need for improved infrastructure is vulnerability of cities in Vietnam to climate change, which is exacerbated by unconstrained urban expansion, inappropriate land use planning, and ecosystem degradation. Vietnam is ranked among the world’s most climate-vulnerable countries, with cities particularly at risk of damage from weather disruptions and rising sea levels given their natural concentration of people, industry, and

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\(^8\) GSO, 2014. Labor force Survey.
\(^10\) Current planning of areas with IPs does not allocate land and budget for childcare services as these areas are not considered residential while planning of most IPs do not take childcare services into account. Moreover, most of the existing state preschools accept only children aged under 36 months due to limited physical and human resources, and do not provide flexible time arrangements for working mothers who have shift work, which is common in industrial parks (Hang, T., 2018).
\(^11\) Globally, secondary cities range in size from 150,000 people to 5 million people.
\(^12\) Vietnam 2035 Report (World Bank 2016).
Climate change is projected to increase the impact of disasters, especially the timing, frequency, severity, and intensity of hydro-meteorological events. By 2050, a 1-3% loss in real GDP is predicted from climate change impacts.

World Bank Urban Strategy in Vietnam. The World Bank’s flagship Vietnam 2035: Towards Prosperity, Creativity, Equity and Democracy report emphasized the need to strengthen institutions for integrated urban planning—both functionally (i.e., within and across sectors) and spatially (i.e., across contiguous urban areas and encompassing provincial and metropolitan/city-level plans)—to encourage scale economies at corridor, metropolitan area/conurbation, and regional levels. The report cautions cities in Vietnam against becoming locked into a “large scale” development mindset, in which the accelerated conversion of rural to urban land encourages sprawl and oversized infrastructure. Large infrastructure and a lack of medium- and small-scale street networks will eventually limit the available connectivity options available (e.g., public transport and non-motorized transport systems), further increasing private motorization. The key lessons from this study are directly relevant to the challenges faced by secondary cities.

The Bank’s urban sector engagement strategy in Vietnam therefore recognizes the growing role of secondary cities and the critical need for stronger, more integrated urban planning, including an increasing focus on helping cities mitigate climate change risks. The urban portfolio currently focuses on cities at different scales: (i) integrated stand-alone operations in large cities (including HCMC, Hanoi, Da Nang, Hai Phong, and Can Tho); (ii) multi-city approaches targeting infrastructure development and strengthening urban management and planning in secondary cities; and (iii) piloting new approaches, such as PforR, for supporting small cities and towns in lagging regions.

The proposed Dynamic Cities Integrated Development Project (DCIDP) is aligned with the Bank’s multi-city approach for secondary cities, broadly defined to include Class I, II, and III cities with populations ranging from 100,000 to 500,000. These four proposed project cities (Ky Anh, Tinh Gia, Hai Duong, and Yen Bai) were originally planned to be included in the first phase of the project approved in FY18. However, only one project city (Thai Nguyen) managed to obtain approval for its pre-feasibility study in time to conduct negotiations and obtain board approval within FY18. By the 1st quarter of 2019, the GOV approved the pre-feasibility studies of the four remaining cities, which paved the way for the proposed project to be prepared and approved within FY19.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)
To improve access to urban infrastructure and to improve integrated urban planning in the project cities.

Key Results

The proposed results framework consists of a series of objectively verifiable PDO-level and intermediate results indicators for the project cities, with annual targets for calendar years 2020-2024 (see Section VI). The PDO-level indicators are:

(a) Reduced Flooding Risk
   (i) Area prone to floods in the area covered by the project interventions (hectares)
   (ii) People benefiting from improved drainage in the area covered by the project interventions (number,

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14 Vietnam is considered one of the most disaster-prone countries in the world, both in terms of fatalities and economic losses. In fact, it is ranked the seventh most disaster-prone country in the world.

percentage of which female, and percentage of which bottom 40%)

(b) Improved Urban Environmental Sanitation
   (i) People provided with access to improved sanitation provided by the project (number, percentage of which female, and percentage of which bottom 40%)

(c) Improved Urban Transport
   (i) People who have access to new or improved roads under the project (number, percentage of which female, and percentage of which bottom 40%)
   (ii) Users satisfied with the new or improved roads under the project (percentage, percentage for female, and percentage for bottom 40%)

(d) Improved Access to Public Space
   (i) People provided with access to new or improved public spaces (number, percentage of which female, and percentage of which bottom 40%)
   (ii) Users satisfied with the new or improved public spaces (percentage, percentage for female, and percentage for bottom 40%)

(e) Integrated Urban Planning
   (i) Integrated urban development plans developed, including adequate provision of childcare services (number)

(f) Core Sector Indicators
   (i) Direct Project beneficiaries (number, percentage of female, and percentage of bottom 40%)

D. Project Description

DCIDP will support four secondary cities that have demonstrated both current significance and future growth potential as province- and region-level urban economic centers. As consistent with approved city master plans, the proposed operation will provide financing for strategic and climate-resilient municipal infrastructure that will help the proposed project cities: (i) improve access to, and reliability of, urban services for the bottom 40% of population; (ii) promote the development of neighborhoods with access to high quality public spaces and public transport; (iii) support continued socio-economic growth (e.g., by enhancing productivity and localization economies, removing infrastructure constraints, improving connectivity, facilitating local job creation, etc.); and (iv) promote women’s opportunity to access paid work. DCIDP will also support the project cities in addressing fundamental urban development challenges through TA for integrated urban planning and management that will promote more compact, sustainable urban development, and the development of higher quality neighborhoods.

Project Components

Component 1: Structural Investments - Rehabilitation and Construction of Resilient Urban Infrastructure: A series of municipal investments will be financed in each project city to improve the access to and quality of critical urban infrastructure services, including those in urban environmental management, urban transport, and urban amenities and public spaces. Given the vulnerability of the project cities to disaster risks and climate change, the proposed investments are focused on strengthening overall urban resilience and, in particular, reducing flooding in historically prone areas. Spanning several sectors, the proposed investments are consolidated under a single project component to ensure that DCIDP provides sufficient flexibility to support a menu of municipal infrastructure solutions to address the specific demands of the project cities. Investments in all cities will be designed, constructed, and managed with resilience to climate change duly factored in.

The selection of infrastructure sub-projects will be aligned with the respective updated city master plans of each city.
Given that the sub-projects will be identified based on plans developed before project implementation, the proposals will be rigorously prioritized to ensure that these are no-regret investments that: (i) improve access to, and reliability of, urban services for the bottom 40% of the population; (ii) promote more compact and denser urbanization; (iii) promote the development of neighborhoods with access to high-quality public spaces and public transport; (iv) support long-term socio-economic growth objectives; (v) robustly meet demands for climate change adaptation and disaster-resilience; and (vi) meet accepted standards for technical and economic soundness. Further, the design and implementation of sub-projects will factor in access to services for women and men (e.g., differentiated travel patterns and safety) and universal design (i.e., ensuring accessibility to older people and people with disabilities) considerations.

In the interest of maximizing finance for development, due consideration will be made to identify opportunities for increased private sector participation in the proposed environmental sanitation and urban transport investments. The project will explore options for private sector participation through partial financing of infrastructure, utility reform, and network operations by private operators. Furthermore, through investments in critical infrastructure such as urban drainage and flood protection, there are expected to be spillover benefits into investments in IPs, EPZs, and tourist attractions that will lead to further private investment in the project cities.

Ownership of the proposed sub-projects will be assumed by the cities, which will be required to establish adequate institutional arrangements and operations and maintenance (O&M) plans to ensure future sustainability. The proposed sub-components are:

- **Sub-component 1.1 – Urban drainage**: Across all cities, the overall improvement of the local drainage systems (including construction of new drains, dredging and embankment of streams and lakes, etc.) has been proposed to address the need for improved flood management using principles of urban integrated water management, particularly in light of both current and projected susceptibility to climate change. This is critical for improving the sustaining the significant private and public investments in IPs, EPZs, and tourist attractions in the project cities. The designs of drainage and flood control infrastructure will take in account scenarios produced by MONRE and reflect them through improved hydraulic modeling works and flexible use of structural and non-structural approaches.

- **Sub-component 1.2 – Urban environmental sanitation**: This includes the rehabilitation and construction of sewer collection networks, and construction of wastewater treatment plants. To address the pollution caused by domestic wastewater, new wastewater collection and treatment systems have been proposed for three of the four project cities that include provisions for addressing generated fecal sludge. Technical designs for urban environmental sanitation investments will explore low impact designs and water-sensitive urban design interventions.

- **Sub-component 1.3 – Urban transport**: This includes investments in strategic urban roads and bridges for better connectivity. Each of the cities has proposed road and bridge sub-projects that were identified in existing master plans. These proposals have been vetted at the preparation stage to ensure that they are based on sound analyses of travel and traffic demand and street design patterns. The provision of the proposed roads and bridges in each city is expected to provide better accessibility for residents to jobs, education, and other services, as well as to improve traffic safety, which are critical for sustaining rapid local economic development in the project cities. In addition, the sub-projects will promote more compact urban development, allow for mixed land uses and densification, promote non-motorized transport options as well as safeguard flexibility for the introduction of a public transport system. As such, technical designs will provide flexibility for the introduction of public transport systems and/or adoption as potential public transport routes. Furthermore, traffic safety facilities have been included in all preliminary technical designs.
Traffic issues will be thoroughly reviewed and mitigated, especially at intersections with major roads and transit roads of national highways/bypasses. To address the potential impacts of climate change, adaptation measures will be included in the road designs (both at basic and detailed stages) to correspond to the most updated MONRE climate change scenarios. Road drainage structures will be designed based on hydrologic analyses that adopt climate change scenarios that account for increasing precipitation and seawater levels, while the elevation of roads and bridges will take into account projected flood distribution increases. Other issues such as road slope protection will be required for sub-projects in mountainous areas as well as for the high embankments in flat conditions. Complex drainage systems combined with slope protection will be required to encourage bio-engineering for climate resilience.

- **Sub-component 1.4 – Urban amenities and public spaces:** The improvement of lakes and channels proposed under the other sub-components will strengthen urban resilience and also provides potential opportunities to introduce new, accessible public spaces around the improved infrastructure. These may include public green spaces and promenades with lanes for both cyclists and pedestrians. The project will also support the development of resettlement sites to accommodate families that may have to relocate or resettle due to the project investments.

Component 2: Non-Structural Investments - Technical Assistance and Implementation Support: A comprehensive package of TA and project implementation support will be provided to the Provincial People’s Committees (PPCs) of the project cities to strengthen their capacities for integrated economic and spatial planning. Given the vulnerability of the project cities to disaster risks and climate change, a key emphasis will be to integrate climate change and disaster risk informed planning in each of the city’s strategic development plans and to strengthen the capacities of technical staff at the city and provincial levels to mainstream disaster and climate risk mitigation in physical development and socio-economic planning.

The TA will also ensure the strategic relevance and efficiency of the municipal infrastructure investments to be financed under the structural component of the project by: (i) linking financing/budgets to the investment programs of the cities in order to ensure financial sustainability for long-term O&M and asset management; (ii) consolidating various spatial and sectoral plans into integrated strategic development plans; and (iii) ensuring community participation throughout the planning and sub-project implementation process. The TA activities are expected to cover the following areas, in response to the specific needs of each project city:

(a) **Strategic integrated planning.** All cities will receive TA in this area, but the TA will be customized for each project city to facilitate the development/updating of comprehensive, context-specific strategic development plans that: (i) are based on the specific needs, economic endowments, and key development issues of each city (including a reassessment of economic and demographic assumptions and growth projections); (ii) are functionally and spatially aligned with the updated provincial-level and regional-level strategic plans; (iii) reinforce their respective roles as secondary cities within the National Master Plan; and (iv) adopt tools for disaster and climate risk-informed urban planning. For expediency and consistency in management and delivery of the TA, the Ministry of Construction (MOC) will be expected to serve a technical advisory body in the implementation of the TA on integrated planning among the four project cities. MOC is expected to provide technical support to the cities and will be involved from the earlier stage of developing the TORs through the following steps of supervising the TA activities. The integrated urban development plans will enable the project cities to manage urbanization in a more comprehensive manner that will promote more resilient and compact urban development as well as urban densification. Decision-makers at the city level will rely on these plans to make decisions on land use planning, infrastructure prioritization, and financing.
Furthermore, to promote urban environments that facilitate women’s access to paid jobs through better childcare services, the TA on integrated planning will support the project cities in ensuring better provision of childcare services in areas with IPs and EPZs. This will be done through the adequate allocation of land and budget, as well as improved physical and human resources for public and private childcare facilities, in line with the Government’s policy.

(b) Public transport planning. TA will be provided to all project cities for the development of public transport development strategies and plans that are aligned with the updated city master plans and promote the expansion of local public transport systems. The TA will identify and safeguard provisions for introducing forms of public transport as found to be suitable in each city. Further, the plans will be expected to provide a framework for decision-making, including a clear set of sustainable urban mobility indicators (e.g., sustainable urban transport index [SUTI] by UNESCAP), to help the cities define specific targets, such as higher network coverage and modal share by public transport, accessibility, affordability, safety, etc.

(c) Asset management. TA will be provided to all cities to enhance the sustainability of urban assets through the development of asset management plans with corresponding financial sources for O&M of the project investments. A robust analysis of the financing needs and corresponding own-source revenue mobilization forecasts and challenges will be a key part of the development and implementation of asset management plans for these project cities. From the resilience angle, well-designed O&M systems can enable, for example, quicker detection of system leaks or failures following climate-related events, which can then allow quicker repairs and lessen disruption to provision of services. With these plans, it is expected that cities will be better equipped to manage urban assets in an efficient, sustainable, and resilient manner.

(d) Project implementation support. TA will be provided to the four project cities for: (i) the preparation of technical designs for sub-projects; (ii) construction supervision and contracts management; (iii) independent monitoring of environmental and social safeguards; (iv) independent financial audits; and (v) strengthening project implementation capacity for project management, environmental and social safeguards, financial management, procurement, and monitoring and evaluation.

E. Implementation

Institutional and Implementation Arrangements

Following the lessons and best practices from the Bank’s recent urban development projects in Vietnam (e.g., MCDP, DSCDP, and VUUPs), DCICP will be implemented in a decentralized manner, with cities as the Project Owners under the supervision of provincial level administrations. At this stage, the respective PPCs of each project city have each established a Project Preparation Unit (PPU) within an existing PMU that has been implementing either ODA-funded or GoV-funded urban infrastructure investments. A PMU for DCIDP will be formally established from PPU in each city once the Investment Policy Report (pre-feasibility study) of each city is approved by the GoV. Given the crucial role of provincial leadership in facilitating project implementation in each project city, the PPCs will each establish a Project Steering Committee (PSC) comprised of multi-sector departments to guide, support, and supervise the respective PMUs.

16 In his Decision 404/QD-TTg, dated March 20, 2014, the Prime Minister approved a programme to provide support to private childcare facilities in areas with IPs until 2020. In addition, Government Resolution 131/NQ-CP, issued on December 6, 2017, assigned the Ministry of Education and Training to coordinate with the relevant local authorities to develop policies and implementation mechanisms on building childcare facilities in IPs and EPZs.
In terms of implementing the non-structural investments under Component 2, MOC will serve as a technical advisory body in supporting the TA and capacity building activities. Subject to availability, trust fund resources will be mobilized to provide capacity building support to MOC to enable key officials to participate and learn from international urban planning approaches and local planning processes, and to subsequently review and revise relevant policies and regulations as appropriate.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The proposed project covers 04 cities/town: Ky Anh town, Tinh Gia town, Hai Duong city, and Yen Bai city. • Ky Anh town (Ha Tinh province) is located on the east coast of the province with a natural area of 280.3 km². The local economy of Ky Anh is anchored on the development of the Vung Ang Industrial Zone. The geographic endowments of Ky Anh, with its access to a deep-water seaport and strategic location as the shortest land route from the Eastern coast of Vietnam to Laos and Thailand. • Tinh Gia town (Thanh Hoa province) is a city with an area of 260km². Tinh Gia benefits from access to a deep-water seaport and a strategic location that connects the Northern and Central regions of Vietnam. The rapid local economic growth of Tinh Gia has been driven by the development of a large-scale economic zone (the Nghi Son Economic Zone). • Hai Duong city (Hai Duong province), a provincial capital city of 96.7 km², is an important economic hub, serving as a central transport and trading node for two strategic economic corridors: the Con Minh-Ha Noi-Hai Phong corridor and the Nam Ninh-Ha Noi-Hai Phong-Quang Ninh corridor. The city’s economy is driven by industrial development anchored on a series of industrial zones focusing on engineering and machinery production, such as automobile assembly, automobile accessories, electrical and electronic components, textiles and garments. • Yen Bai city (Yen Bai province), a provincial capital city with the total area of 108.2 km. It is the political, economic, cultural, technological center of Yen Bai Province. The recent upgrading of the Noi Bai-Lao Cai Highway completed the strategic Hai Phong-Hanoi-Kunming Economic Corridor, which connects Vietnam’s major eastern shipping port (Hai Phong) to the Vietnam-China border at Lao Cai and Kunming.

G. Environmental and Social Safeguards Specialists on the Team

Thang Duy Nguyen, Social Specialist
Son Van Nguyen, Environmental Specialist

<table>
<thead>
<tr>
<th>SAFEGUARD POLICIES THAT MIGHT APPLY</th>
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<td>Safeguard Policies</td>
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<td>Environmental Assessment OP/BP 4.01</td>
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construction and rehabilitation of urban roads and bridges on the alignments; ii) construction or rehabilitation of new or existing drainage, including ditches, channels, canals, streams, rivers; iii) construction wastewater treatment plants (WWTP) together with sewer collection pipes and relative small sized pumping stations; and iv) site clearance and construction of basic infrastructure for resettlement sites. However, these civil works are proposed at a small to medium scale. The sub-project sites would be located mainly in urban settings, on vacant land, agricultural land, and along the corridor of existing roads. The vegetation cover in the sub-project areas mainly includes some plantation forests, bushes, fruit trees, and paddy rice. The natural habitats within the project are some natural streams and lakes. The physical, chemical, and biological environments in the project areas are already heavily impacted and altered due to intense anthropogenic use and activity. All the proposed sub-projects would not be located within or near critical natural habitats, forests, archaeological, and historical sites. Therefore, the likelihood of sensitive or vulnerable receptors existing in the project areas is very low.

The project’s overall potential environmental and social impacts would be positive as it is expected to bring about improved city drainage and flood capacity, transportation, and sanitation. The environmental and social screening during project identification indicates that the proposed project would not impact critical natural habitats and forests, or important physical cultural resources. The majority of the potential adverse impacts relate to land acquisition and construction activities. These include commonly known construction impacts and risks, such as: i) safety risks related to unexploded ordinances; ii) increased dust, noise, and vibration levels due to earth works; iii) generation of solid waste and wastewater, mostly from excavation and dredging; iv) surface water quality reduction; v) negative impacts on natural habitats of aquatic lives in some streams and lakes affected by or nearby construction sites; vi) negative impacts on plantation forests; vii) traffic disturbance and increased traffic
safety risks; viii) disturbance to existing infrastructures and related services; ix) social impacts, including disturbance to daily lives of local households and businesses, and issues; x) health and safety of the workers and communities; and xii) social impacts associated with mobilization of workers to the construction site, etc.

The non-structural component of the project would mainly include technical assistance (TA) for improving city planning activities. TA activities will be reviewed for their potential environmental and social implications, risk and impacts and therefore, subject to Bank safeguard policies when applicable. The TA component will support urban planning; therefore, strategic environmental and social assessment (SESA) will be conducted for inputs to this planning process. The TORs for SESA and the SESA reports will be reviewed by the Bank during project implementation. Processing the TA will follow the interim guidelines of the Bank’s Operations Policy and Country Services, Operational Risk Management (OPSOR), effective January 2014: “Interim Guidelines on the Application of Safeguard Policies to Technical Assistance Activities in Bank-Financed Projects and Trust Funds Administered by the Bank”.

These potential impacts are expected to be at low to moderate level, temporary, site-specific and mostly reversible, for which mitigation measures can readily be designed in most cases. Therefore, the project is proposed to be environmental Category B.

An Environmental and Social Impacts Assessment (ESIA) which includes an Environmental and Social Management Plan (ESMP) was prepared for each of the cities and towns to assess the potential impacts and risks of the proposed mitigation measures in line with the government regulations and the Bank safeguard policies. The ESIAs include cumulative impact assessment and the World Bank Group Guidelines on Environmental, Health and Safety. Public consultation was carried out as part of ESIA preparation. The final draft and final ESIs were disclosed on the Bank website and locally at the
<p>| Performance Standards for Private Sector Activities OP/BP 4.03 | No | There will not be any Bank financing for private sector-led economic development projects. |
| Natural Habitats OP/BP 4.04 | Yes | The project will be implemented in urban areas and will not involve significant conversion or degradation of critical natural habitats or other natural habitats. The project is expected to bring benefit to the environment by cleaning up lakes and streams and intercepting and treating wastewaters. However, some civil works will be implemented on existing natural habitats, such as construction of dredging of the Nam Cuong ecological lake system in Yen Bai city. The potential impacts and their associated mitigation measures were identified and addressed in the related sub-project ESIA. |
| Forests OP/BP 4.36 | Yes | The project will be implemented in urban areas and would not include planned investments involving forest harvesting or forest management. However, the Yen Bai sub-project proposes to construct flood control embankment for Cau Dai Stream, road from Bach Lam Bridge to Van Phu Bridge, road connecting Nguyen Tat Thanh, Residential site No. 1, 3, 4, 5 which would require acquisition of about 27.5 ha of production forest a poor quality plantation production forest, respectively; therefore, this policy is triggered. The potential impacts on this protection forest and their associated mitigation measures were identified and addressed in the sub-project ESIA. |
| Pest Management OP 4.09 | No | The project will not involve the production, procurement, storage, handling or transportation of any pesticide, nor will it result in an increased use of pesticides. Therefore, the policy is not triggered. |
| Physical Cultural Resources OP/BP 4.11 | Yes | The project is not anticipated to have potential impacts on important Physical Cultural Resources (PCRs). However, it would involve civil works with excavation and the relocation of graves, which are also considered PCR. Mitigation measures for the relocation of graves were included in the respective sub-project Resettlement Action Plan (RAP) and ESIA, as appropriate. In any event, a chance finds procedure have been prepared and included in the sub-project ESIA, and will be included in the bidding |</p>
<table>
<thead>
<tr>
<th>Indigenous Peoples OP/BP 4.10</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Screening of the proposed sub-project areas showed that there are no ethnic minority communities living in or collective attachment to the project cities that meet the criteria of OP 4.10.</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Involuntary Resettlement OP/BP 4.12</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Screening of the proposed sub-projects also showed that the project would involve land acquisition of about 2,829 households (HHs), of which 350 HHs (29 HHs in Ky Anh, 96 HHs in Yen Bai, and 225 HHs in Tinh Gia) will have to relocate or reorganize on the remaining residential land; 1,234 households are severely affected due to losing more than 20% of total agricultural land holdings; and remaining HHs are affected less than 20% of total agricultural land holdings. Therefore OP4.12 is triggered for the project. These impacts will cause substantial social risks such as temporary loss of income and livelihood and disrupted social bonds due to loss of land and/or relocation. However, all potential impacts and risks could be predicable, mitigatable and manageable by applying all possible mitigation measures including design alternatives, compensation at replacement cost, provision of land plots in resettlement sites to be constructed within sub-project ward/commune for relocated households, and provision of livelihood restoration package for severely and vulnerably affected households. All the potential social impacts and associated mitigation measures will be included in a Resettlement Action Plan (RAP) for implementation.</strong></td>
<td></td>
</tr>
</tbody>
</table>

According to OP4.12, a RAP is required for each city/town of the project and submitted to the Bank for clearance before appraisal. On the Bank side, a Resettlement Policy Framework (RPF) is not required for the project because all sub-projects and their boundaries have been identified at time of project preparation. However, land law 2013 of Viet Nam requires to prepare a RPF for project covering multi-provinces like this project. The RPF will provide principles of involuntary resettlement policy and guidance for preparation of RAPs during project preparation and/or implementation.
Public consultation will be carried out as part of RAP/RPF preparation. The draft final RAPs and RPF will be disclosed locally in the local language, and at the Bank’s internal and external websites prior to appraisal.

For non-structural component, all proposed activities are focusing on strengthening capacity of the project cities for urban planning, urban development strategy, asset management and project implementation. Therefore, no land acquisition or safeguards issues are expected to occur in this component.

<table>
<thead>
<tr>
<th>Safety of Dams OP/BP 4.37</th>
<th>No</th>
<th>The project would not involve construction or rehabilitation of dams nor would it affect or depend on the safety of any existing dam.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects on International Waterways OP/BP 7.50</td>
<td>No</td>
<td>The project will not be implemented on any international waterways.</td>
</tr>
<tr>
<td>Projects in Disputed Areas OP/BP 7.60</td>
<td>No</td>
<td>No part of the project activities will be implemented in a disputed area, so the policy is not triggered.</td>
</tr>
</tbody>
</table>

### KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

#### A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The proposed project will be implemented mostly in existing urban or rural settings in four sub-project towns/cities, namely, Yen Bai, Hai Duong, Ky Anh, and Tinh Gia. The types and scope of proposed investments include: i) construction of eight urban roads (total 24.1 km, each road is from 0.8 to 9.8 km long, 16 to 40 m wide), including six bridges (20 to 312 m long) on the alignments; ii) construction or rehabilitation (dredging and embankment lining) of new or existing drainage, including ditches, channels, canals, streams, rivers (each section is from 1.5 to 5.7 km long), and five regulatory lakes (1.9 to 19.6 ha each lake); iii) construction of three new wastewater treatment plants (WWTPs), with capacities ranging from 600 m3/d to 12,000 m3/d, together with sewer collection pipes and relative small sized pumping stations; and iv) site clearance and construction of basic infrastructure for resettlement sites (each site is from 0.3 to 1.6 ha).

The project’s overall potential environmental and social impacts would be significantly positive as the proposed physical investments are expected to bring about improved drainage capacity, urban connectivity, landscape, and environmental sanitation conditions in the participating towns/cities. These would contribute to promote sustainable socio-economic development in the area.

The construction and operation of the proposed physical investments may also cause some potential impacts and risks. At pre-construction phase, there is safety risk related to unexploded objects left in the project areas from the past war.
During construction phase, there would be some common construction impacts and risks including (i) increased dust, noise, and vibration levels due to earth works; (ii) generation of solid waste and wastewater, mostly from excavation and dredging; (iii) surface water quality reduction and negative impacts on aquatic lives in rivers, streams, and lakes affected by or nearby construction sites; (iv) loss of trees and vegetation cover due to site clearance; (v) traffic disturbance and increased traffic safety risks along the roads near construction sites and along transportation routes; (vi) disturbance to existing infrastructures, such as drainage, irrigation, power supply, and related services; (vii) localized sedimentation and flooding issues; (viii) landslide and erosion risks; (ix) negative impacts on urban landscape related to excavation and waste/material temporary storage; (x) social impacts, including disturbance to daily lives of local households and businesses, and issues; and (xi) health and safety of the workers and communities. Most of these potential impacts were anticipated to be at low to moderate level, localized, and temporary. However, these construction impacts and risks would be higher in the areas having sensitive receptors, such as schools, commune houses, pagodas/temples and other cultural structures, health care units, populated residential clusters, crop land, plantation forest, rivers, streams, and lakes, etc. In addition, each sub-project also has other impacts, risks, and issues depending on the baseline conditions, typology of investments, and physical interventions as discussed below.

Contractors may mobilize a number of workers from outside the project areas during the construction phase. This may generate potential social risks for communities living in the project area, such as violence with local youth, gambling, drug proliferation, and communicable diseases (e.g., sexually-transmitted diseases such as HIV, syphilis, etc.), particularly among local women. However, these impacts will be mitigated through mitigation measures proposed in the project ESMP and RAPs, such as training for workers and construction supervision teams on required lawful conduct in the host community and on HIV/AIDS awareness, strict enforcement of drug abuse and traffic, and ensuring payment of adequate salaries for workers to reduce incentives for theft and gambling. The PMUs and external monitoring agency will be responsible for closely monitoring and mitigating potential risks caused by labor influx to communities surrounding project areas.

Twenty-nine hectares of production forest (27.5 ha in Yen Bai) will be acquired. While the main values of such forest are economical rather than biodiversity, the loss of forest would lead to reduced green space in the project area. Also, 243 graves in Tinh Gia and one family worshiping house (in Ky Anh) will be relocated.

Some dredging, embankment lining, or bridge construction will be implemented near or on existing water bodies, such as canals, regulatory lakes, streams, or rivers (for example the Hao Gia and Khe Dai streams in Yen Bai, the Tri and Quyen rivers in Ky Anh, the Than canal in Tinh Gia, the Cau river in Hai Duong, the Nghe lake in Hai Duong). The ESIs indicated that the areas surrounding these water bodies are subject to either cultivation or human settlements and that there are no known rare/endangered or vulnerable specifies in these areas. Thus the potential biological impacts would be marginal. However, the sampled sediment taken from the Than and Cau Trang canals in Tinh Gia had salinity at 3% to 5%, which is higher than the tolerance of some crop and fruit trees (rice, corn, beans, mangoes etc.). If not managed properly, the saline dredged materials and its leakage wastewater may cause damages to the crops surrounding the disposal sites. The construction of one road section in Tinh Gia also involves blasting which would cause safety concerns to local communities and the workers.

The main potential environmental and safety issues in operation phase would be related to the three WWTPs, resulting from offensive odors, health and safety risks for the operators and local communities, and the discharge of effluents to the nearby water body. However, all three WWTPs are located far from residential areas (at least 300 m buffer zone), thus odor, public health, and safety issues would be minimal. The calculations in the ESIs indicate that while the small flows of the effluents from WWTPs in Ky Anh (2,000 m3/d or 23 l/s) and Tinh Gia (600 m3/d or 5.6 l/s) would have very minor impacts onto the receiving water quality, the Sat river would be capable of receiving the effluent from the proposed WWTPs in Hai Duong (capacity 12,000 m3/d) and still within applicable water quality
Traffic safety, particularly at the road intersections, and the impacts related to elevated ground along the new roads are the main impacts and risks during the operation of the new roads. The induced impact may include localized urban development in some urban areas, particularly along the new road. However, such development will follow town/city master plan and would thus be manageable.

The ESIs proposed adequate mitigation measures, including Environmental Codes of Practices (ECOP), site-specific mitigation measures, and other specifications to address construction impacts. The ESIA also proposed mitigation measures as well as environmental friendly and greening solutions for inclusion into engineering design to address operational impacts and risks. For example, sign boards, roundabout, and other traffic safety measures were proposed for new roads, particularly with regard to the design of the intersections. Where possible, greening measures would be combined with engineering structures at embankment linings and slope protection. Safe staircases would be built at intersections to provide access to water surface for communities as and when needed. Kindergartens would be designed beautifully, landscaped, and with facilities (toilets, taps, washing basins etc.) that are safe and convenient for use by the children.

Besides the relocation due to the loss of residential land and houses, some local people will partially lose agricultural land, in which about 1,234 households are severely affected due to losing more than 20% of total agricultural land holdings. The project may affect standing crops and trees of local people, however they will be informed 180 days prior to acquisition of agricultural land so that people will stop cultivating or harvesting their crops and trees on the affected land. In case crops/trees cannot be harvested at time of land acquisition, the affected people will be compensated at replacement costs.

The project may cause interruption of business of some households for a short time due to the installation of drainage systems along urban roads. All losses of income during period of construction will be compensated and supported according to the RPF and RAPs.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
The project is expected to have significant positive benefits for the urban environment and public health, contributing to socio-economic development in the participating towns/cities and improving living standards for local communities.

Appropriate wastewater treatment technologies have been chosen to meet the national environmental standards and suit operational capacity at acceptable costs. Water quality of the receiving waters will be regularly monitored. No significant potential indirect and/or long-term impacts are anticipated during the implementation of the project.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
The alternatives of “without the sub-project” and “with the sub-project” and technical alternatives have been analyzed for all the four sub-projects. The technical, financial, environmental and social aspects, and construction methods have been considered in carrying out the alternative analysis. Every effort has been made to reduce the significant impacts on the environment and society and to avoid/minimize the need for land acquisition. In particular, alternative analysis of the coastal road (Tinh Gia sub-project) led to the avoidance of acquiring two hectares of casuarina planted forest and the reduction in the number of affected houses.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower
capacity to plan and implement the measures described.

An Environmental and Social Impacts Assessment (ESIA) was prepared for each of the towns/cities to assess the potential impacts and risks associated with construction and operation of the proposed investments. The ESIAs referred to the World Bank Group Guidelines on Environmental, Health and Safety, including due diligence review of disposal sites and material resourcing.

Four Environmental and Social Management Plans (ESMPs) were prepared as integral parts of the four sub-project ESIs. The objectives of the ESMPs are to: i) ensure compliance with the applicable provincial, national, laws, regulations, standards, and guidelines; ii) ensure that there is sufficient allocation of resources on the project budget for implementation of ESMP-related activities; iii) ensure that environmental risks associated with a project are properly managed; iv) respond to emerging and unforeseen environmental issues not identified in the sub-project ESIA; and v) provide feedback for continual improvement in environmental performance.

The ESMPs consist of the set of good practice mitigation measures to address common construction related impacts, which are referred to as ECOP. Site-specific mitigation measures and other environmental specifications were also included to address the environmental, social, health, safety issues, and risks specifically identified and assessed for the locations/activities of the sub-project. The ESMPs also specify the implementation, monitoring, supervision and reporting responsibilities of stakeholders, including the PMUs, detail design engineers, construction supervision consultants (CSCs), contractors, etc. Each sub-project ESMP also includes a Compliance Framework, which lays out the role and responsibilities of the contractor and a penalty system to address no-compliance cases of the contractor to the environmental management requirements of the sub-project.

The key mitigations measures at sub-project level during feasibility studies/engineering design include the siting of the WWTPs at adequate distance to existing residential clusters, the usage of grass/vegetation combined with concrete structures to protect the embankments in order to maintain some green space. Safety measures such as sign boards and other traffic control facilities are included in the design of road intersections. Enhanced monitoring and warnings will also be arranged at risky areas, such as near the railway in Yen Bai. Other specific measures proposed for construction phase include beneficial use of parts of the excavated materials (relative large in some sub-projects: one million cubic meters in Tinh Gia, and 635,000 m³ in Hai Duong) for backfilling and ground leveling. For safety reasons, the affected communities will be instructed to use alternative routes or venues during the rehabilitation of the existing bridges and kindergartens.

With the dredging works in all four towns/cities, Dredging and Dredged Materials Management Plans (DDMPs) have been prepared to address the impacts of dredging, temporary storage/handling/transportation/disposal of the dredged materials. In particular, as the sampled sediment taken from dredging area in Tinh Gia sub-project has salinity at about 3% to 5% (which exceed tolerance range of number of plants such as rice, corn, bean, tomato, mango etc.), the DDMP requires that impermeable materials (such as tarpaulin) would be laid on temporary disposal ponds and leakage wastewater would be led back to the canal to prevent the damaging effects that the brackish/saline sediment and wastewater may cause to local soil and crops.

With the affected production forests in project areas, in addition to compensation (27.5 ha in Yen Bai) in accordance with RAP, the ESMP also proposed other measures, such as forbidding catching/hunting of wildlife and banning unauthorized tree cutting or setting fires by the workers, to prevent the risks on forests related to the presence of the workers. Construction will also be scheduled to avoid most sensitive times.

During project implementation, the PMUs, through their dedicated environmental and social staff/units, will be
responsible for monitoring and ensuring that the sub-project is in compliance with the commitments specified in the ESMP. The PMU shall monitor and supervise to ensure that: (i) detail design and cost estimations incorporate relevant measures and environmental friendly solutions; (ii) construction bidding and contractual documents include relevant parts of the ESMP, such as ECOP and relevant specific mitigation measures that the contractors of each package are required to implement during construction phase. Representing the PMUs, CSCs will be responsible for day-to-day monitoring and periodical reporting on the contractor’s environmental performance. In addition, CSCs will also arrange for environmental quality monitoring and training the contractor’s workers, CSC team members, and PMU staff on HIV/AIDs awareness raising, the costs for such monitoring and trainings should be included in the CSC contract values.

All four PMUs have experience in managing infrastructure projects either financed by the government or international donors. Among these, Yen Bai have safeguard experience through their works in past Bank-financed projects. However, the understanding of the majority of PMU staff of World Bank safeguard management requirements is limited. This safeguard management capacity gap of PMUs will be addressed through the use of capacity building services provided by an Independent Environmental Monitoring Consultant (IEMC) during project implementation. The IEMC will also carry out periodical monitoring to verify that sub-projects are environmentally compliant and recommend corrective actions if/when necessary. All four PMUs and resettlement committee of the project cities and towns have limited experience with the Bank’s social safeguards policy. Therefore, capacity building for the implementing agencies and the PMUs as well as on-the-job training on the Bank safeguard policies and requirements will be provided to staff of the implementing agencies at the early stage of project implementation.

Resettlement Policy Framework (RPF) and Resettlement Action Plans (RAP):
A RPF for the project and RAP for each city/town were prepared to ensure that: (i) all project impacts will be mitigated, managed, and compensated at replacement costs; (ii) the implementation of land acquisition and resettlement for the project will comply with OP4.12 and Government policy on compensation, support and resettlement; and (iii) the income and livelihoods of affected people, especially severely and vulnerably affected people will be restored at least equal to pre-project level or improved better in sustainable manner.

Grievance Redress Mechanism (GRM): Each sub-project safeguard instrument (ESMPs, RAPs) also includes a GRM to provide a framework within which complaints about safeguards compliance can be handled, grievances can be addressed, and disputes can be settled timely and satisfactorily. The GRM will be in place for each sub-project and disclosed to people before construction commences.

Within the Vietnamese legal framework, citizen rights to complain are protected by the Constitution and Laws on complaint and denouncement. As part of overall implementation of each sub-project, a GRM team will be established by Environmental and Social Unit of the city PMU. Its assignments will include readily receiving, handling, and following up all grievances/complaints of affected people until they have been resolved satisfactorily. The key process and elements of the GRM include procedures for receipt and redress of complaints and grievance, responsible persons/agencies, and contact information.

The complaints can be received in verbal or writing form, by telephone, fax, or email. They can be sent to the local authorities, contractor, construction supervision engineer, city PMU, or the independent resettlement and environment monitoring consultants. Complaints will be logged in the record system and sent to responsible persons/agencies for taking action. To facilitate the complaint redress process, the GRM will be disclosed to affected people during public meeting and consultations. It is also included in the sub-project information leaflets and distributed at the sub-project sites to provide practical information about grievances to local residents, including
contact information and addresses.

The GRM also refers to the WB’s Grievance Redress Service (GRS) and clearly indicates that affected communities and individuals may submit their complaints to the World Bank’s independent Inspection Panel, which determines whether harm occurred, or could occur, as a result of non-compliance with the Bank’s safeguards policies and procedures. The website address providing information on how to submit complaints to the World Bank’s GRS is also provided.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
Consultations were conducted with the affected households during April 2017 through November 2017. The affected people and communities and other relevant stakeholders were consulted on the RPF, sub-project ESIA, socio-economic studies, and RAPs. Feedback from the consultations were incorporated into the project design, the final draft RPF, sub-project ESIA, and RAPs. In particular, a family in Ky Anh town whose family worshipping house would need to be relocated was consulted individually and they agreed to relocate with adequate compensation and support to be paid. Draft version of environmental and social safeguards instruments were disclosed both locally at the sub-project PMUs, and sub-project areas, and at World Bank’s websites before November 28, 2017. The final environmental and social safeguards instruments was disclosed locally and at the Bank’s websites. The Appraisal Stage Integrated Safeguards Data Sheet of the project was also disclosed at the Bank’s websites.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other

<table>
<thead>
<tr>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
<th>For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors</th>
</tr>
</thead>
</table>

"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

<table>
<thead>
<tr>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
</tr>
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<tbody>
<tr>
<td>28-Dec-2017</td>
<td>29-Dec-2017</td>
</tr>
</tbody>
</table>

"In country" Disclosure

Vietnam

29-Dec-2017

Comments
C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?  
Yes
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?  
Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?  
Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?  
Yes
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?  
Yes

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?  
Yes
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?  
Yes

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?  
Yes
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?  
Yes

OP/BP 4.36 - Forests

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?  
NA
Does the project design include satisfactory measures to overcome these constraints?
NA

Does the project finance commercial harvesting, and if so, does it include provisions for certification system?
No

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?
Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?
Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?
Yes

Have costs related to safeguard policy measures been included in the project cost?
Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?
Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?
Yes

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APPROVAL

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Huyen Thi Phuong Phan
Vinh Quang Nguyen

Approved By
Safeguards Advisor: Peter Leonard 19-Dec-2018
<table>
<thead>
<tr>
<th>Practice Manager/Manager:</th>
<th>Francis Ghesquiere</th>
<th>20-Dec-2018</th>
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<tbody>
<tr>
<td>Country Director:</td>
<td>Ousmane Dione</td>
<td>16-Jan-2019</td>
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