



VIE-7865

Secondary Cities Development Project

**Tam Ky
Buon Ma Thuot
Ha Tinh**

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Workshop on Enabling Inclusive Cities

28-29 October 2013

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VIE: 7856

Secondary Cities Development Project

Tam Ky

Quang Nam Province – Central coastal region

Buon Ma Thuot

Dak Lak Province – Central highlands

Ha Tinh

Ha Tinh Province – North central region

- Growing provincial capitals
- Limited urban infrastructure
- Degrading environment quality
- Vulnerability to storms, floods, and typhoons



Policy Pillars



National Policy

SEDS, SEDP

National Green
Growth Strategy

Sector Orientation
Plans

City Master Plans



ADB Policy

Country
Partnership
Strategy (2012-
2015)

Urban Sector
Assessment

Urban
Operational Plan.

Safeguard Policy
Statement 2009



Climate Adaptation & Environment Improvement

National Climate
Change Strategy

Environment
Protection
Regulation

Land Law



Social Inclusion and safeguards

- Gender action plan
- SPRSS
- Environment management plans
- Resettlement plans
- Stakeholder communications strategy

THE PROJECT



- **11 subprojects to improve climate resilience and environment quality:**
 - **integrated solid waste management;**
 - **urban road upgrading for connectivity and evacuation during storms;**
 - **flood dykes for increased protection of communities and land;**
 - **drainage channels and regulating basins for flood protection and stormwater management**
- **Community awareness through information, education and communication**
- **Competencies in integrated urban development, environment planning, climate change adaptation and project management**

PROJECT COST



ADB

- **\$95.0 million** ADF (Asian Development Fund)

- **\$26.71 million** Government's counterpart fund
 - \$6.47 million from Tam Ky,
 - \$10.45 million from Ha Tinh,
 - \$9.79 million from Buon Ma Thuot

- **\$121.71 million** **Total project cost**

Buon Ma Thuot, capital of Dak Lak Province

Central highlands

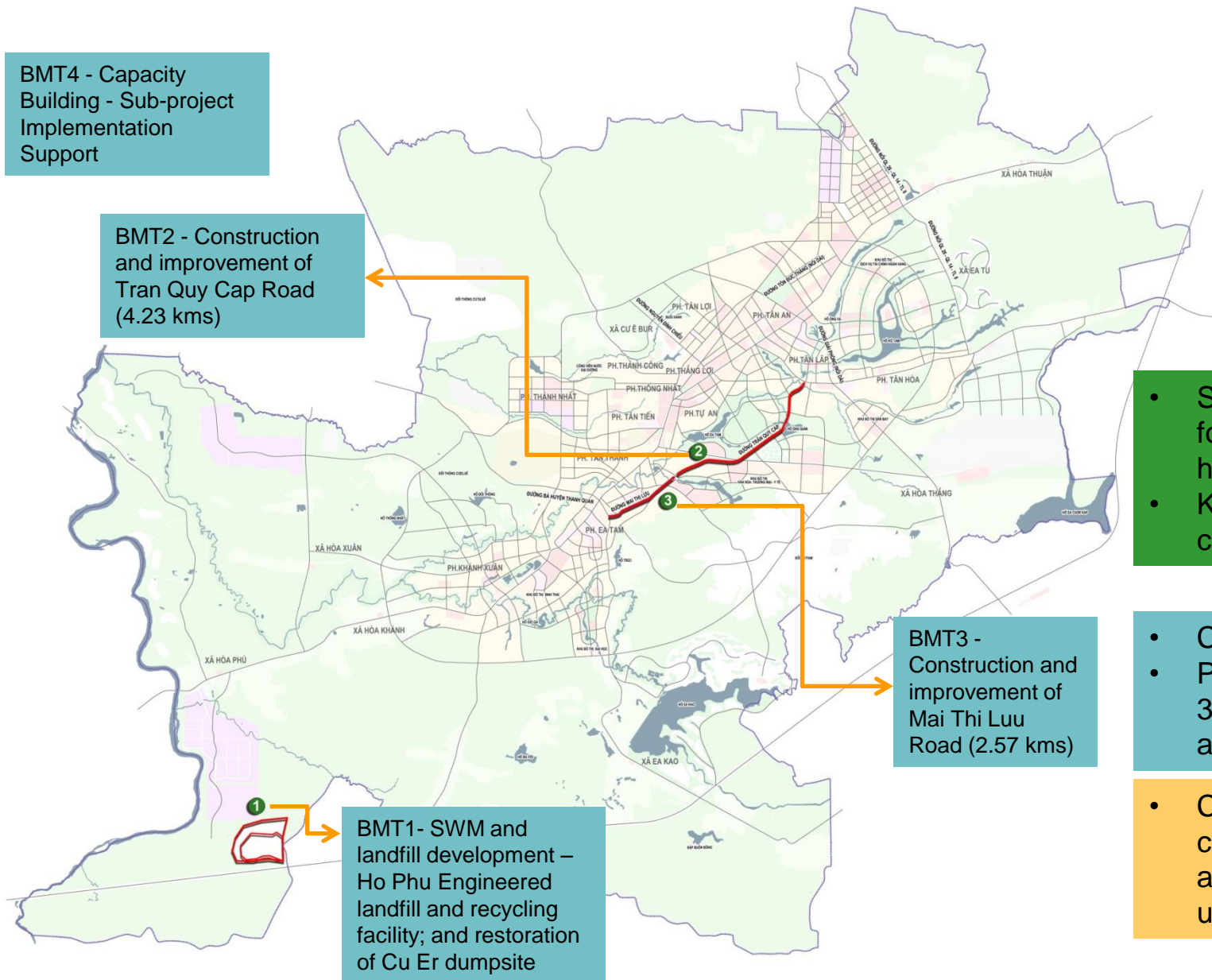


LEGEND

1. Environmental Management - Solid Waste Management and Landfill Dev
2. Strategic Roads Development - Tran Quy Cap Road
3. Strategic Roads Development - Mai Thi Luu Road

BMT4 - Capacity Building - Sub-project Implementation Support

BMT2 - Construction and improvement of Tran Quy Cap Road (4.23 kms)



- Strategic location for connectivity in highlands
- Key contributor to coffee exports

BMT3 - Construction and improvement of Mai Thi Luu Road (2.57 kms)

- Class I.
- Population - 311,965, growing at 3.17% per year

BMT1- SWM and landfill development – Ho Phu Engineered landfill and recycling facility; and restoration of Cu Er dumpsite

- Constrained by cross-city linkage and quality of urban services

Tam Ky, capital of Quang Nam Province

Central coastal region



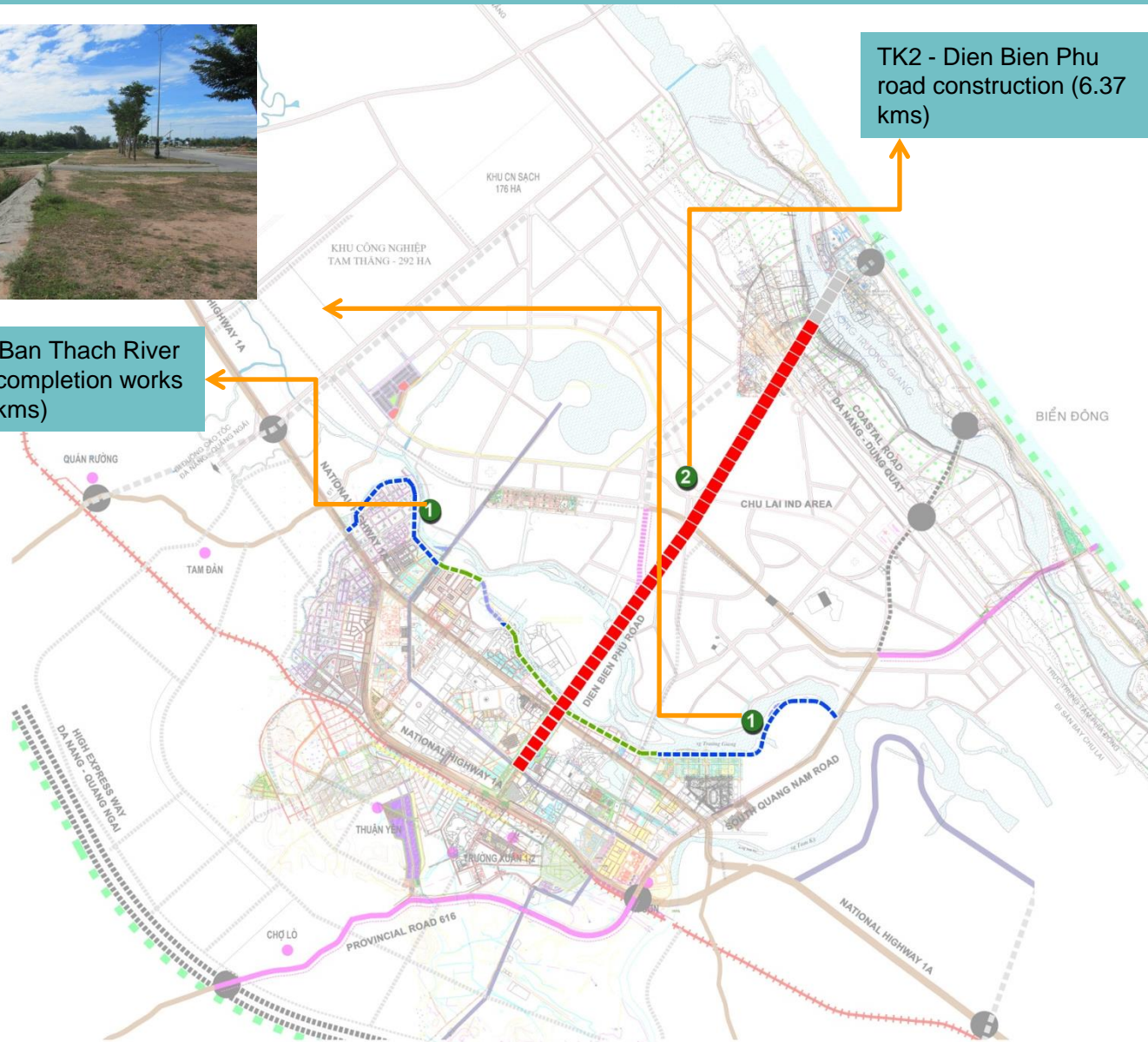
LEGEND

- 1 Flood Management – Ban Thach River Dyke Completion
- 2 Strategic Roads Development – Dien Bien Phu Road Construction



TK1 - Ban Thach River Dyke completion works (10.7 kms)

TK2 - Dien Bien Phu road construction (6.37 kms)



- Chu Lai Special Economic Zone
- Industrial growth from conventional to large consumer products

- Class III.
- Population 109,000
- population growth 1.15% per annum

- High annual precipitation with avg. annual rainfall 3,448 mm
- 5 typhoons a year

Ha Tinh, capital of Ha Tinh Province

- North-central region



LEGEND

1. Flood Management – Five Drainage Channels and Access Roads Completion
2. Flood Management - Thach Trung Regulating Basin
3. Environmental Management - Environmental Improvements to Bong Son Lake
4. Urban Roads Development – Nguyen Trung Thien Road (Central)
5. Urban Roads Development- Nguyen Trung Thien Road (South)
6. Urban Roads Development – Hai Thuong Lan Ong Road

HT1 - Five Drainage Channels (9.5 kms) with access roads completion

HT4 - Nguyen Trung Thien Road -Central upgrading (0.8 kms)

HT6 - Hai Thuong Lan Ong Road upgrading (1.15 kms)

HT2 - Thach Trung Regulation Basin for improved drainage capacity (9 ha)

HT3 - Environmental Improvements to Bong Son Lake for upgrading degraded land, lighting, and sidewalks

HT5 - Nguyen Trung Thien Road –South upgrading (1.76 kms)

- Strategic connectivity - GMS,
- Economic Zones and ports

- Class III.
- Population 94,022
- Expected population growth 8 % per annum

- Susceptible to Floods
- Limited drainage capacity

Lessons Learned & Special Features

Optimizing Development Impact



Limited procurement packages

Sufficient funds for contingencies

Advance actions



Ha Tinh ,Tam Ky

Climate adaptation

Enhanced resilience standards

Increased protection of people, land and assets



Ha Tinh

Urban watershed based drainage
Improved storm water management

Area regeneration



Buon Ma Thuot

Community based 3 R SWM

Complimenting 'green city' vision

Project Benefits Enhancing Inclusiveness

- Dykes and drainage system will increase flood protection and livelihood, reduce asset loss, and health risks from floods
- Roads upgrading to improve mobility, evacuation during storms



- BMT - 3 R SWM will improve waste collection and disposal;
- Improved environment quality by closure of existing dumpsite and new engineered landfill



Due Diligence vis-à-vis Inclusiveness

Economics

Subprojects viable
EIRR 13.5 to 18.3 % results range

Finance

Sufficient funds for O & M
Tariff introduced for SWM
Covenants and assurances provided

Technical

Technically feasible
Optimum design solutions and standards for climate resilience adopted
Complete, extend and upgrade flood protection dykes and drainage

Governance Consultations and Disclosure

Grievance Redress
Mechanism

Safeguards

Environment - Category B
IR - Category A and IP - Category C
EMPs and RPs in compliance
Covenants and assurances provided

Poverty and Social

Category - GI and EGM
GAP enables women's participation in decision-making
GAP & DMF targets and content of assurances aligned
Employment opportunities with URENCO's in O&M

INVOLUNTARY RESETTLEMENT

Sites are inclusively designed.

Category A



In compliance with ADB Disclosure and Consultation Requirements. Grievance redress mechanism developed



Serviced Resettlement Sites available in all cities

Affected Land = 118ha

Affected Households = 2,437 (10,737APs)

Mostly on Agric Land = 1,518 affected households.

To be relocated = 116 households

Total Base Cost = USD16,850,000

Income Restoration Program = USD2,600,000

ENVIRONMENT

inclusiveness by improving
resilience and preventive
approaches

Category – B

Initial Environmental Examinations (IEEs)

- environment improvement and area regeneration from SWM, drainage & storm water management
- temporary construction specific impacts

Environmental Management Plans (EMPs)

- mitigation measures for design, construction and operations.
- EMPs will be updated and finalized at the detailed design stage.
- EMPs costs integrated in the Project.

In compliance with ADB Disclosure and Consultation Requirements. Grievance redress mechanism developed

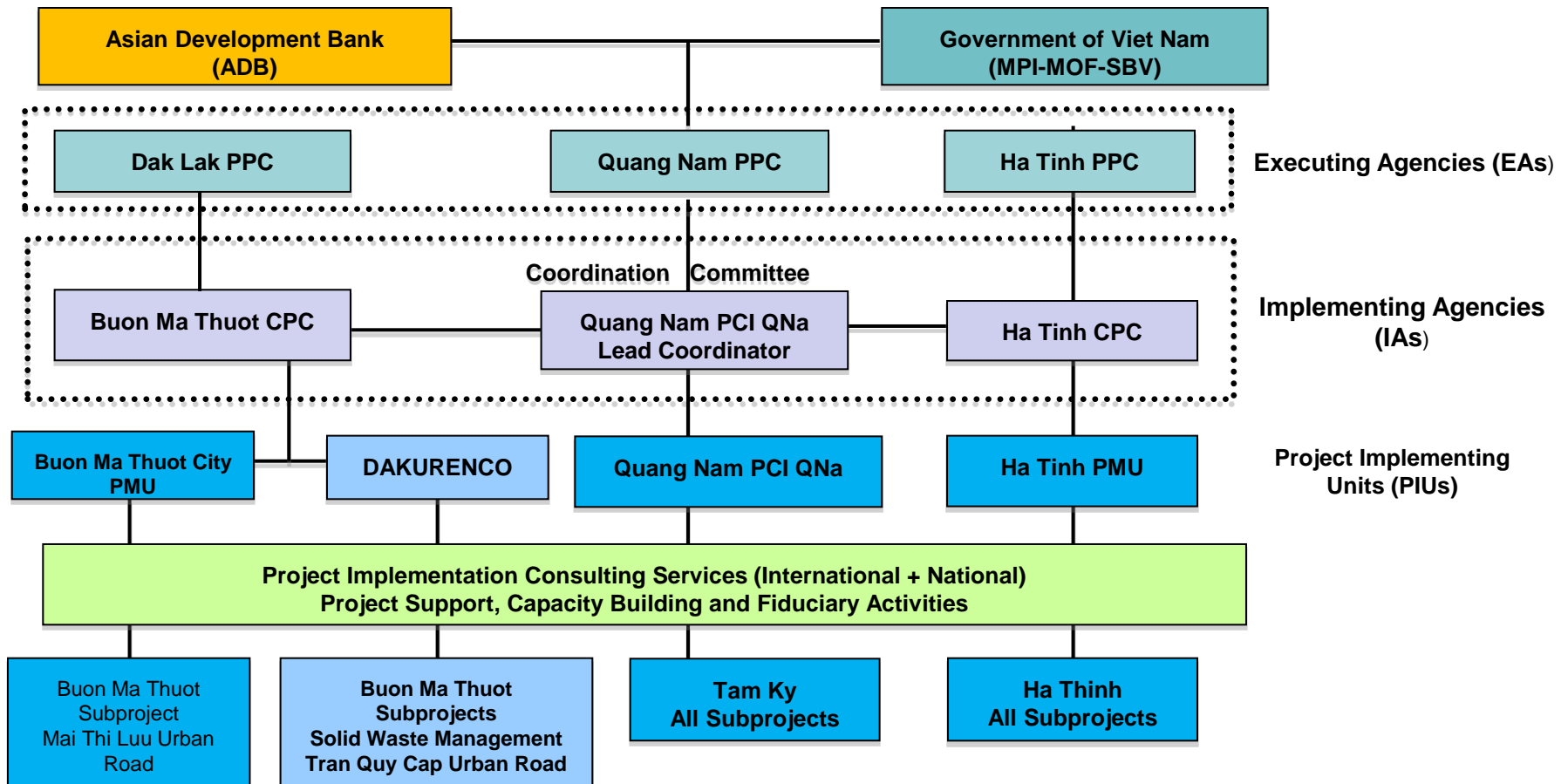


Expected environment quality improvement and productivity of the surrounding areas

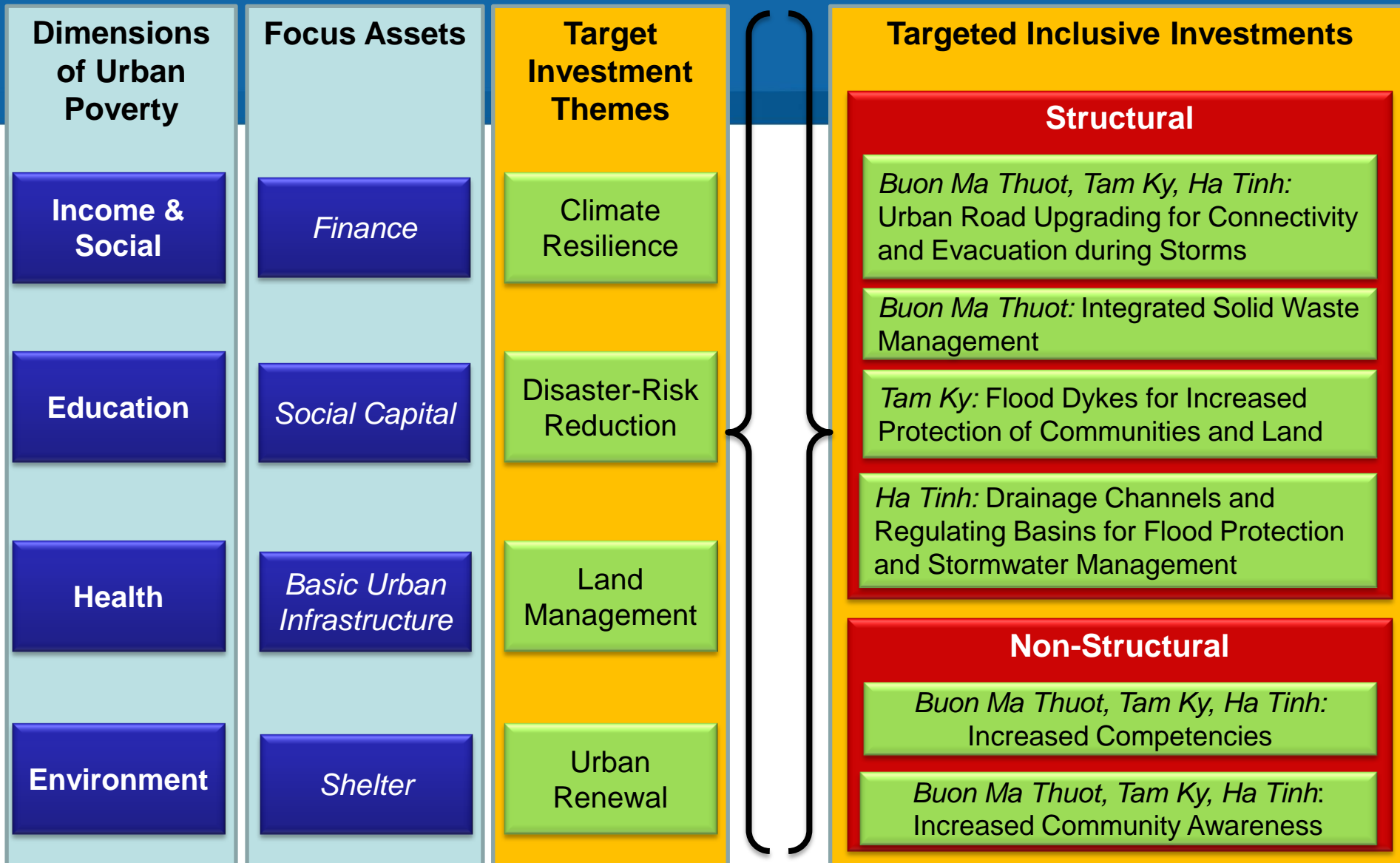


IMPLEMENTATION STRUCTURE

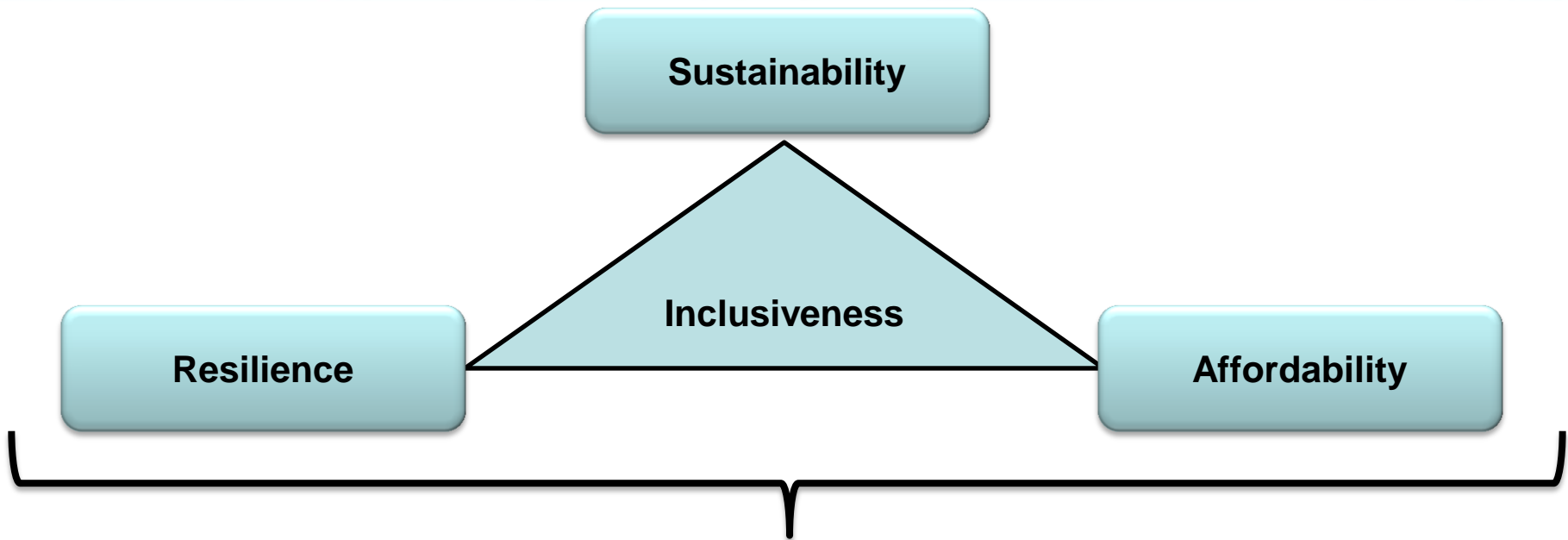
role of citizens ? Is there room ?



Applying the Toolkit with Hindsight to the SCDP in Buon Ma Thuot, Tam Ky, and Ha Tinh



Critical Aspects of Inclusive Urban Development



“CITIES FOR PEOPLE “.....*challenges*

- Progression towards prevention versus “do no harm” and mitigation
- Stakeholder assessment and their roles in project implementation
- Key criteria for inclusive urban development within limited budgets.
- Optimizing development impacts through cross-sectoral benefits and integration
- Establishing synergies between investment projects (donor partners) for overall development impact



Improving lives for future generations in Viet Nam.



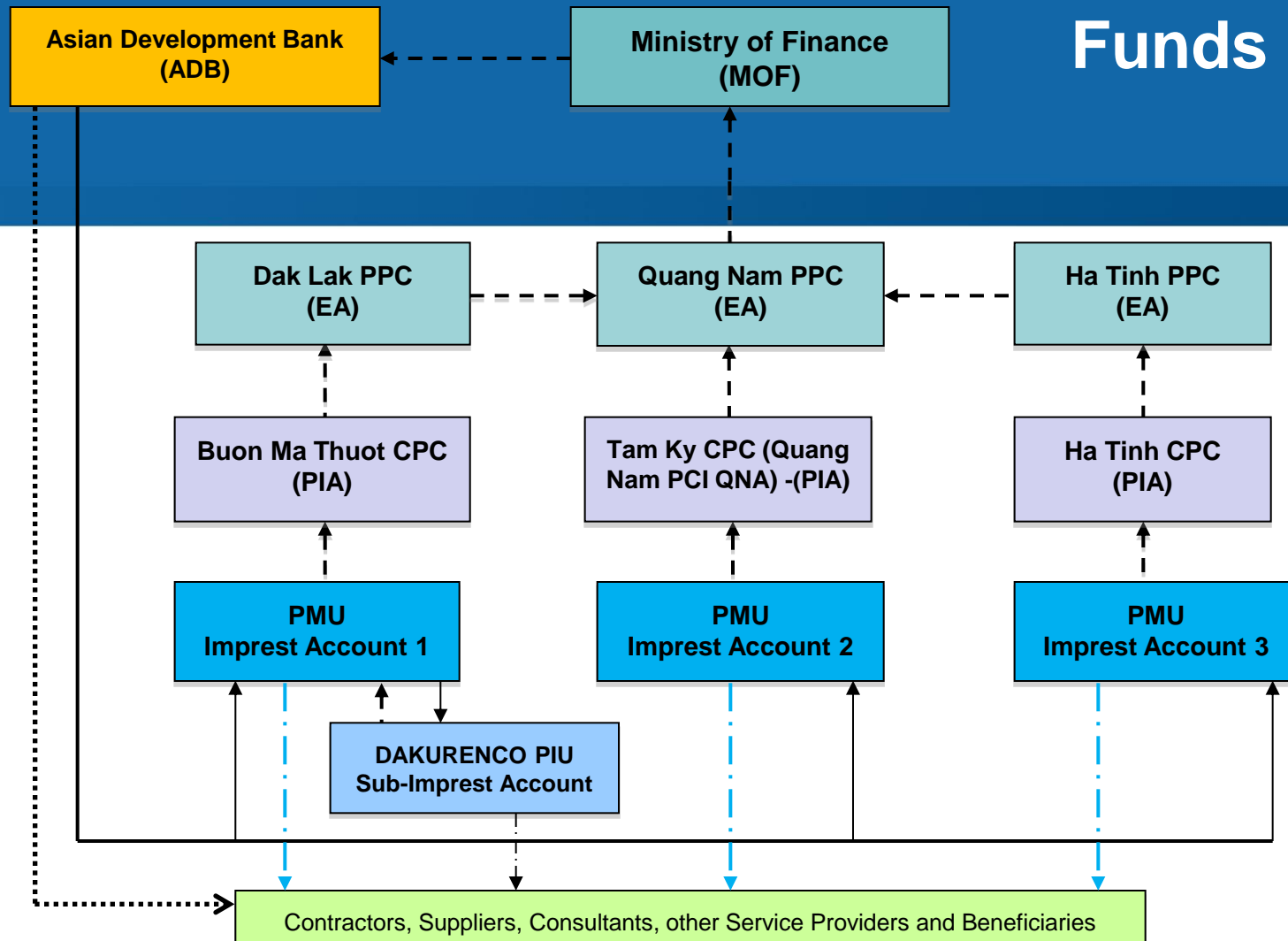


COSTS AND FINANCING – KEY POINTS

Key Points:

- ADB concessional funding will be USD95 million (78%) and Government's counterpart fund will be USD26.71 million (22%). Project total is therefore USD121.71 million
- Government's counterpart fund will comprise \$6.47 million (17% of subproject costs) from Tam Ky, USD10.45 million (25% of subproject costs) from Ha Tinh and \$9.79 million (24% of subproject costs) from Buon Ma Thuot.
- Government's counterpart funds will cover the costs for the land acquisition and resettlement, part of the taxes and duties and national consulting services for the detailed engineering design as part of advance actions.

Funds Flow



- - -> = withdrawal application (W/A) consolidated by Quang Nam PPC and forwarded to MOF, —> = payment released to imprest accounts, — — —> = payments to contractors, EA = executing agency, PIA = project implementing agency, PIU = project implementation unit, PMU = project management unit> = direct payments. Source: Asian Development Bank.

Management approval sought

- (i) to proceed further with grant and loan negotiations tentatively scheduled for the week of 19 August 2013;
- (ii) To finance taxes and duties of Tam Ky as it is within reasonable country thresholds and does not represent an excessive share of the project investment, and is relevant to the project's success
- (iii) For approval of advance action of consulting services; and
- (iv) For Board consideration under Summary Procedure



GENDER ACTION PLAN

The Project is categorized as “effective gender mainstreaming” (EGM), and thus, a gender action plan (GAP) has been prepared.

Strategies suggested in the GAP to ensure women participate and benefit equally from Project interventions include

- (a) women’s participation in decision making (during Project design consultations, during construction supervision, resettlement process and Project implementation);
- (b) increased women’s economic empowerment (through employment opportunities and resettlement plan that ensure equal compensations to male and female headed households affected),
- (c) enhancing women’s participation in technical training and access to employment opportunities;
- (d) improved gender mainstreaming capacity of PPCs and CPCs in urban and environmental planning and management and
- (e) inclusion of sex-disaggregated data in the Project performance management system, monitoring and evaluation indicators and regular Project reporting.

PROJECT RISKS AND MITIGATION

Risk	Mitigating Measures
Infrastructure built through the project are damaged by typhoons and flooding	DED of the proposed flood control dikes, road networks, sanitary landfill, and other community facilities will follow climate-resilient design standards and specifications.
Technical and administrative capacities of project staff are inadequate for project management and continued O&M. Qualified staff especially women are not available.	A specific capacity building component is designed to strengthen competencies in integrated urban planning and project management skills.
Implementation is delayed due to coordination challenges between the three cities.	Roles and responsibilities are outlined in the project administration manual for efficient implementation. Lead executive agency will coordinate and liaise with national line agencies and ADB during project implementation.