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The First Paper Contest

Assessment of Millennium Development Goals in Vietnam

- Suggested Policies for Poverty Eradication

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Abstract

In 2000 together with other United Nations members, Vietnam had agreed to achieve the Millennium Development Goals (MDGs) by the year 2015. The goals are: eradicating extreme poverty and hunger; achieving universal primary education; promoting gender equality and empowering women; reducing child mortality rates; improving maternal health; combating HIV/AIDS, malaria, and other diseases; ensuring environmental sustainability and developing a global partnership for development. Up to now, Vietnam has made very impressive progress towards achieving the MDGs and has been successfully meeting most of them.

Along with the progresses, there are challenging difficulties in achieving MDGs in Vietnam. One of the most pressing issues is eradication of poverty for minority groups. Vietnam is a multi-ethnic country with 54 ethnics, most of them live in mountainous areas, each having its own language, lifestyle, and cultural heritage. Moreover, low education level, under-developed infrastructure, harsh living conditions undermine the efforts to reduce poverty and hunger in these areas. This negatively affects in performance of other goals. For example, due to hard economic conditions, many children in mountainous provinces have to drop out of schools. So, we see that there is an urgent need of building and reinforcing measures to get over the situation. In our paper, we will focus on analyzing and proposing new ideas as an attempt to find a new orientation for Vietnam in poverty eradication after 2015.

Keywords: MDGs, Vietnam, 2015, Poverty, Reduction, Policies

I. Introduction

In the past few years, Vietnam has made impressive performances to reach Millennium Development goals and improve the quality of citizens' lives. From the country with high level of extreme poverty and hunger, it has reduced successfully the rate of extreme poverty in urban areas as well as rural regions. In addition, it has enhanced the level of education, reached the balance of gender equality, reduced child mortality, improved the quality of maternal health, combatted HIV/AIDS, malaria and other diseases, and made progress to ensure environmental sustainability. From the start of being a poor country with low quality of citizens' lives, Vietnam is improving its quality day by day and transforming into a potential country to seek for opportunities and a good life. However, so far, these transformations and improvements have been practiced mostly in urban areas and gained successes only from ethnic majority. Thus, the rural areas and ethnic minorities of the countries are still having problems of hunger, low level of education, inequality of gender, etc.

In this report, we would like to pick the issues of extreme poverty and hunger in ethnic minorities and find out the ways to improve the current situation.

II. Millennium Development Goals in Vietnam

1. MDG 1: Eradicate Extreme Poverty and Hunger

According to "Achieving the MDGs with Equity" year 2012 of United Nations, Vietnam made the most remarkable progress on poverty reduction. Vietnam succeeded in reducing poverty of 58.1 percent in 1993 to 14.5 percent in 2008. In addition, the food poverty rate and malnutrition rate were also reduced from 24.9 percent in 1993 and 6.9 percent in 2008, 41 percent to 11.7 percent in 2011, respectively (United Nations Vietnam). After 20 years, Vietnam's poverty rate declined rapidly, from being among the world's poorest country with GDP per capita of 98\$, it is now defined as a lower-middle income country in the world with the GDP of \$1000 by 2010 (Oxfam International, 2013).

However, the pace of reduction is not equal among regions and population groups. By 2008, 50 percent of ethnic minorities were still living below the general poverty standard, and 31 percent

suffered from food poverty. Vietnam's ethnic minorities suffered a much lower pace of poverty compared to the majority Kinh as the highest poverty rate was in the North West where numbers of ethnic groups were living. In addition, the highest rate of child poverty is also found in groups of children from ethnic minority groups (United Nations Vietnam). Many of remaining poor live in isolated rural areas; they have limited assets, hardly access to high level of education, and embrace poor health conditions (World Bank Vietnam). There was about 95% of the poor living in rural areas and the lack of food for these areas is 10 times bigger than the one in urban areas. The focus for reducing poverty is in rural regions and ethnic minorities (Ministry of Planning and Investment, Socialist Republic of Vietnam). The unbalance of poverty among regions and ethnics is a big challenge that Vietnam has to face and seek the way to overcome.

2. MDG2: Achieve Universal Primary Education

In 2009, the net enrolment rate in primary school in Vietnam was 95.5 percent, the primary completion rate was 88.2 percent and the literacy rate of people aged 15-24 years was 97.1 percent (United Nations Vietnam). By 2008, the rate of literacy aged above 10 was 93.1 percent with 96.1 percent of urban areas and 92 percent of rural areas (Ministry of Planning and Investment). The difference between boys and girls in primary school enrolment rates was about one percent (United Nations Vietnam). From 2006 to 2009, about 8 million poor students were encouraged to go to school without any tuition fee, and about 2.8 million of poor students from ethnic minorities were provided text books for free. Vietnam's government kept pushing investments for education, from 15.5 percent of 2001 to 20 percent of 2007, and also, the government attempted to seek for foreign investment and companies' investment for enhancing education system (Ministry of Planning and Investment).

However, disadvantaged groups, people from ethnic minorities and people with disabilities are still below the education standard. The rate of primary school net enrolment among poorest households was 88.9 percent while the richest was 98.3 percent. The rate of Kinh (ethnic majority) was 95.9 percent while the one of the Mong (one of ethnic minorities) was 37.7 percent in 2009

(United Nations Vietnam). Despite the high rate of enrolment, there are some problems of education's quality remain. Many children from ethnic minorities had to face language difficulties due to the lack of teachers from ethnic minorities (United Nations Vietnam). Urban children performed better than rural ones in all skills-reading, writing, numeracy. The unequal access to private classes of children from different economic classes, of Kinh and non-Kinh children also contribute to the gaps of inequality of education (Pham Thi Lan & Nicola Jones). The poor quality of Vietnam's education also derives from the narrow focus on scholastic achievement by teachers who failed to encourage independence, creativity and innovation for students. Vietnam's increasing obsession with "good performers" has also led to the lack of motivation to improve teaching methods or the learning environment (Pham Thi Lan & Nicola Jones).

3. MDG3. Promote Gender Equality and Empower Women

Vietnam made an impressive progress on enhancing its gender equality targets. The country succeeded in increasing the rate of girl's participation in education at primary and secondary levels. The primary net enrolment rate of girls was 91.5 percent and 92.3 percent for boys. The gaps between girls' and boys' net enrolment to primary school, secondary school were reduced rapidly and the balance between these two rates has maintained stably recently (Ministry of Planning and Investment). The labor force participation rate of women was 73 percent and 82 percent for men in 2009 (United Nations Vietnam). By 2009, among 155 countries, GDI of Vietnam ranked the 94th, and the increasing GDI was also observed from 0.668 of 2004 to 0.723 of 2009. Vietnam's government has shown its determination of improving laws and policies to enhance the equality of genders. The country has focused on improving family policies, the equality of gender's policies, the policy of preventing family's violence (Ministry of Planning and Investment).

Along with progresses of promoting gender's equality in general, there are still many issues related to gender's inequality in Vietnam. Recently, the sex-ratio of birth in Vietnam attracted many attentions since the rate of boys is increasing over the rate of girls born. Gender-based violation is also considered as significant issue in Vietnam. A study on domestic violence conducted by GSO in

2010 indicated that one in three of ever-married women report that they have suffered physical or sexual violence from their husbands at some times in their lives. Moreover, over half of women (58 percent) have experienced physical, sexual and mental violence during their lives (United Nations Vietnam). Meanwhile, there has been huge amount of Vietnamese girls trafficked to other countries for sexual industry (Gardsbane, Ha, Taylor, & Chanthavysouk, 2010). While women's roles in the society have been improved recently, the positions women can possess in reality is not varied. There were 24.2 percent of women in non-farm wage employment in 2008 and about 53 percent of all employed women in Vietnam were unpaid workers in the family business, compared with 32 percent of men. In addition, women's average wage was considered as lower than men's.

4. MDG4: Reduce Child Mortality

The goal for MDG 4 is to reduce by two-thirds, between 1990 and 2015, the under-five mortality rate and until now, Vietnam has reached the goal. From 44 per 1000 live births in 1990, the infant mortality rate was 14 per 1000 live births in 2011. 58 per 1000 live of under-five mortality rate have reduced to 16 in the year of 2011. Children who are underweight drop from 25.2% in 2005 to 18.9% in 2009.

Despite the government's effort to reduce child mortality in Vietnam, the results among each regions or area are not homogeneous especially between rural areas and urban areas. The death rate in mountainous rural areas is 2 to 2.5 times higher than in urban areas. Many women in rural areas do not have access to basic health services such as pregnancy checkups, delivery support etc. Also according to National Nutrition Survey, the stunning prevalence is about 40 percent in Lao Cai and Kon Tum (in Ho Chi Minh it is only 8 percent), over 50 percent in H'mong, Ba Na and Gia Rai ethnic minority groups (23 percent in Kinh children).

To improve the situation, Vietnam needs to strengthen the healthcare system, especially in hard-to-reach areas. Vietnam has to pay more attention on coordinating among sectors and ministries in their response to stunting. And the most important factor is to focus on budget allocation to preventive health care and for better routine data collection.

5. MDG 5: Improve Maternal Health

Vietnam's goal for MDG 5 is in 25-year time from 1990 to 2015, reduce the maternal mortality ratio by three quarters; achieve universal access to reproductive health by 2015.

According to 2012 report, over the last two decades, the maternal mortality ratio has declined sharply from 233/100,000 live births in 1990 to 69/100,000 in 2009¹. Most of this decrease is obtained through the introduction of safer pregnancy. Access to quality reproductive health has been expanded to people in both urban and rural areas, including maternal and neonatal health, family planning, introduction and increased use of modern contraception. In various governing levels, stronger programs, policies and laws for reproductive health and rights are established.

Although maternal health has improved in the total period, the maternal mortality rate has remained unchanged from 2006 to 2009. To reach the MDG target of reducing maternal mortality to 58.3/100,000 live births, we need to invest in more efforts both in quality and quantity.

Another problem to be noted is the disparity gaps between urban and remote and ethnic minority areas. The mortality rate in the latter is much higher due to various geographical and educational factors as well as traditional practices of these remote areas. The building of easily accessible center which can provide comprehensive care, including emergency obstetric and newborn care, is critical and can play an important part in improving reproductive health services, maternal mortality and early disability.

There are remaining challenges in reproductive health as well. Ethnic minorities, young people still have difficulties accessing to sexual and reproductive health information and services. Reproductive health care service network is insufficient or hard to access in mountainous areas with a lack of infrastructure, inadequate number of medical staff and unfavorable working conditions. There is also a shortage of contraception, resulting in unwanted pregnancies and unsafe abortions

¹ 2009 census final results, GSO 2010.

among young people. The birth rate among adolescence is also higher among low-educated and ethnic minority groups.

6. MDG 6: Combat HIV/AIDS, Malaria and Other Diseases

In achieving MDG 6, Vietnam had set the targets of: by 2015, halt and begin to reverse the spread of HIV/AIDS; by 2010, achieve universal access to treatment for HIV/AIDS for all those who need it; and by 2015, halt and begin to reverse the incidence of malaria and other major diseases.

Up to 2012, Vietnam has shown significant improvements in issues related to HIV. New legal and policy frameworks were approved for 2012-2015. The HIV prevalence among homosexual men is estimated to be 16.7 percent in 2009, among men who inject drugs is 13.4 percent and 3 percent among female sex workers. Vietnam has also obtained impressive progress in increasing the number of individual receiving anti-retroviral treatment (ART): the rate of late 2011 being 1.5 times higher than that of 2009, covering 53 percent in adults and 83 percent in children. Also Vietnam had noticeable progress on preventing and controlling malaria, which already has reached the MDG goals for malaria control. Vietnam is also known as one the countries in the world that has great performance in controlling SARS, H5N1 and H1N1.

Only three years left for Vietnam to achieve the MDG goals in controlling and preventing HIV/AIDS while Vietnam still has many unsolved problems and obstacles related to this field such as barriers to HIV services uptake or the ability to sustain the nation respond to HIV.

7. MDG 7: Ensure environmental sustainability

Vietnam has made some impressive progress on environmental sustainability but the feasibility of achieving this MDG goal by the year of 2015 is doubtful.

Through the government's efforts, forests covered 39.5% of total land in 2010, more than 90% of the households has access to safe drinking water and electricity. In rural area, more than 70% of the households had access to sanitary latrines. Also, only 7.8% of the population in 2009 lived in

temporary housing. The three main obstacles that Vietnam meets in achieving this goal are water and sanitation, climate change and biodiversity conservation.

First, it's about the water and sanitation. Central Highland regions and Northern mountainous region have the lowest level of access to improved water (around 80%). These two regions, along with Mekong Delta, also have the lowest use of sanitary means. To improve sanitation in Vietnam, it's important to focus on human and financial resource, as well as involvement of local authorities. Secondly, it's about climate change. Natural hazards such as floods, droughts and typhoons influence the lives of people heavily since Vietnam is an agricultural country. Vietnam needs to focus on specific environmental protection that fits Vietnam's present environmental situation. Lastly, biodiversity conservation is considerable issue in environmental sustainability. Despite the fact that Vietnam is one the most bio-diverse countries in the world, biodiversity habitats are being degraded and loss of biodiversity continues. Vietnam has to pay more attention in funding for biodiversity conservation, protecting habitats and rare species, etc. in order to achieve MDGs' goals by 2015.

8. MDG 8: Develop a Global Partnership for Development

Understanding that poverty reduction and sustainable development are clearly linked to trade, debt relief and aid, Vietnam has made major strides in developing global partnerships for development since 2000, including gaining membership to the World Trade Organization, expanding cooperation with ASEAN, serving as non-permanent member of the UN Security Council (2008-2009), and involvement in a number of new free trade agreements. Continuous efforts are necessary to ensure social equity and sustainable development in the coming years.

III. Poverty reduction for ethnic minorities in Vietnam

Facing with such poverty background and in aiming at achieving the MDGs, Vietnam has been imposing various measures in all governance levels and in accordance with guidance and support from international actors such as UNDP and the World Bank. Noteworthy are the efforts focusing on vulnerable groups, especially in rural and mountainous areas.

1. A new profile of poverty in Vietnam

Along with impressive improvements of reducing poverty in Vietnam, chronic poverty and the poverty status's differences among regions still remain big challenges for the country. According to the statistics report of VHLSS 2010, the high rate of poverty is observed to be collected in rural areas such as the Central Highlands or West Northern Mountains, urban regions' poverty accessed a small rate of 7.5 percent in total (poverty and extreme poverty) (World Bank in Vietnam).

The poor in Vietnam are mainly farmers with 32.9 percent of agricultural households live below poverty line and agricultural households also contribute 65 percent of the poor, 73 percent of extreme poor compared with a population share of 41 percent (World Bank in Vietnam). There are many reasons explaining why poverty came from agricultural households. According to the study of Vietnam Graduate Academy of Social Sciences (VASS) done in 2009, the poor in rural areas, who are generally farmers, usually lack of landholdings, are in poor credit status (lack of capital, incapable of paying debts), have limited assets, have low level of education and are in the poor health condition. These characteristics of farmers in rural areas distribute the increasing poverty rate of people from agricultural households (VASS). Moreover, farmers in Vietnam with limited assets and knowledge, usually have to face economic difficulties, natural disasters and other climate factors that might affect the final results of annual harvest.

53 ethnic minority groups of Vietnam make up 15percent of the total population but they contribute for about 47 percent of the total poor and 68 percent of extreme poor in the country. The numbers reflect sharply the differences of poverty between ethnic minorities and ethnic majority (Kinh) with the low rate of poverty of Kinh people (12.9 percent of poor and 2.9 percent of extreme poor in 2010). Ethnic minority groups are observed to have high rate of poverty and extreme poverty

in general, however, the smallest rate region fell to Red River Delta, while the highest rate region fell to South Central Coast, Central Highlands, and West Northern Mountains. Meanwhile, ethnic majority- Kinh's poverty is observed to be fallen into North Central Coast with the highest rate of 20.4 percent out of the total poverty rate of Kinh people. Kinh people of other regions remain low rate of poor and extreme poor, especially the Southeast (World Bank Vietnam). The maps (Figure 1) also explain the distribution of poor minorities and poor Kinh. Poor minorities were observed to heavily concentrate in the East and West Northern Mountains, upland areas in the North Central Coast, and the Central Highlands. On the other hand, the poor of Kinh population were concentrated in the Red River Delta and in the Mekong Delta (World Bank Vietnam).

According to one study about chronic poverty of rural areas in 2006, among ethnic minority groups, there were also groups which performed better than other groups. For example, the highest rate of poverty among ethnic minority groups fell to Central Highlands, and other Northern Uplands with 73.6 percent, 72.4 percent of poverty headcount, respectively. Khmer-Cham and Tay-Thai-Muong-Nung contributed with the rate of 34.6 percent, 45.2 percent of poverty headcount, respectively. The reason of differences among ethnic minority groups in poverty rate can be explained by the ability of speaking Vietnamese fluently. As many studies mentioned, many people of Central Highlands and Other Northern Uplands have low level of Vietnamese language ability. Calculations using the VHLSS06 showed that rural ethnic minority people who unable to speak Vietnamese well were 1.9 times more likely to be poor than other ethnic minorities (Baulch & Hoa Thi Minh Nguyen, 2010).

So far, the status of poverty in Vietnam has been explained through job types, regions with specific reasons. However, the mutual reason for the poverty of Vietnam can be explained simply by education levels. Even though the country has impressively improved the country's education system in general with the increasing rate of primary school and secondary school's enrolment, lack of education still derives poverty (Figure 2). According to the research of VHLSS 2010, people from households that did not complete primary had the highest rate of poverty of 39.8 percent and

extreme poor of 19.3 percent. There was a correlation between poverty rate and the level of education of individuals in a household. The higher education qualification an individual gets, the lower rate of poverty reflects in total. According to this logic, it is understandable why the ethnic majority-Kinh who is more accessible to higher education levels due to language advantage is capable of reducing poverty in the ethnic group faster than the ones from ethnic minorities. One recent survey in three provinces with large ethnic minority populations for the World Bank's Country Social Assessment, 2009, found that around 30 percent of minority households had at least 1 child dropped out of school before the completion of a grade, and there was only 16 percent of the Kinh. The reasons behind the school withdraw of children from ethnic minority group included poverty, long distance to school, lack of self-esteem, language barriers, poor nutritional status, and the high opportunity cost of current time (Baulch & Hoa Thi Minh Nguyen, 2010). These factors can be considered as the results of the poor quality of infrastructure that can help shorten the distance from home to school, the lack of teachers who can speak ethnic minorities' languages, and other obstacles the country is still struggling for.

The Labor Force Survey of 2007 indicated that in rural areas, the ethnic minorities are about two and a half time less likely to be wage workers than the Kinh (10.3 percent of minorities compared with 25.8 percent of the Kinh). The minorities also are less likely to have contracts of employment, receive pay slips or have social security benefit. In addition, ethnic minority groups' main source of income comes from agriculture which counted for nearly 70 percent while wage income counted for only 18 percent. In contrast, agriculture makes up less than 40 percent in Kinh and Hoa's total income and their main income source comes from non-farm activities (Baulch & Hoa Thi Minh Nguyen, 2010).

In short, the chronic poverty of Vietnam can be seen as the problem of unbalancing among regions. Kinh and Hoa's people who have more advantage in terms of economic resources, language are able to reduce the poverty rate rapidly and even obtain above standard livings. Meanwhile, ethnic minority groups, who have limited assets, face disadvantage of language, used to rely heavily

on agriculture and live in rural areas, are not capable of getting high education level, and then can hardly reduce the poverty rates. As a result, if the Vietnamese government does not improve the quality of education as well as promote more policies and support for people from ethnic minorities to receive higher education qualifications in the near future, the chronic poverty of ethnic minority groups, people from rural regions, will still remain as big challenges.

2. Internal Efforts

Policy framework

The Socio-Economic Development Strategy (SEDS) for period 2001-2010, states Vietnamese government's determination to "eliminate the category of hungry households and to reduce quickly the number of poor households" (Socio-economic Development Strategy 2001-2010, 2001). In another document, the Government of Vietnam notes that "at present, hunger eradication and poverty reduction is regarded as the focal political, social and economic task of the entire Party and people" (Interim Poverty Reduction Strategy Paper , 2001).

In the Hunger Eradication and Poverty Reduction (HEPR) Strategy 2001-2010, Vietnamese government sets out specific targets for its route of poverty reduction, which are:

- By 2005, to eliminate chronic hunger and to reduce the level of poverty to below 10 percent according to the national poverty line; and
- By 2010, reduce the level of poverty to below 5 percent according to the national poverty line.

The Government is putting more efforts to expand these targets to embrace more aspects of poverty and deprivation, especially in remote and ethnic areas. Issues are being undertaken jointly by government, donor and non-governmental organizations to specify locally versions of the International Development Targets and Millennium Development Goals. In that manner, Vietnam has built its own Vietnam Development Goals (VDGs), embedded in its Comprehensive Poverty Reduction and Growth Strategy, including 12 goals:

- Reduce the percentage of poor households
- Ensure the provision of basic infrastructure facilities to poor people, poor communities and

poor communes

- Job creation
- Universalizing education and improving the quality of education
- Reduce the Birth rate, the Child mortality rate and the Child Malnutrition rate
- Reproductive health, epidemics, HIV/AIDS and other social diseases
- Develop culture and information and elevate the spiritual life of the people
- Improve the cultural life and preserve the culture of ethnic minority peoples
- Ensure a sustainable environment
- Reduce the vulnerability of the poor and disadvantaged groups and strengthen the social

safety net to support them

- Gender equality, empowering women and ensuring children's rights
- Accelerate public administration reform, provide the poor with knowledge of the law

Besides these policies for general economic development, the Interim Poverty Reduction Strategy Paper (I-PRSP) also marks out more measures targeting at directly improve opportunities for the poor, majority of which are covered by the national HEPR program, including:

- Investing in essential infrastructure for poor communes and areas;
- Improving productivity in agriculture and diversifying the rural economy;
- Protecting the environment by strengthening natural resource management;
- Improving access to credit, particularly by women;
- Investing in education and training focusing on conducting businesses and developing

production;

- Raising the living standards of ethnic minorities;
- Improving access of the poor, especially women and children to social, education and health

care service; and

- The development of social safety nets for the poor and victims of natural disasters.

National HEPR program (Program 133)

Program 133 was established in 1996 with the purpose of integrating a range of anti-poverty programs into an overall HEPR framework. The HEPR Strategy Document for 2001-2010 had outlined macroeconomic policies required to stimulate growth similar to those in the I-PRSP, specifying 11 direct targeting policy areas: credit for the poor, health care, education and vocational training, supporting of ethnic minorities having especially difficult circumstances, social security, legal assistance for the poor, support of the poor in housing and production, basic infrastructure works in poor communes, training of the poor on business skills and extension services, sedentarization and migration to new economic zones and support of the poor in culture and information.

A large portion of HEPR funds have been used in credit and infrastructure development, largely in lowland and coastal areas at district or commune levels.

In 2000, the program achievements could be summarized as:

- 4 million households borrowed credit with subsidized interest
- Over 3 million people were trained to start production and enterprises.
- 3.4 million sick people were treated without payment.
- 1 million students were exempted from school fee and given free textbooks.
- Averagely 300,000 poor households were reduced every year

Program on Socio-economic Development in Especially Disadvantaged Communes in Mountainous, Isolated and Remote Areas (Program 135)

Program 135, established for the time period from 1998 to 2005 by the Committee for Ethnic Minority and Mountainous Areas (CEMMA), focuses on providing essential basic infrastructure to poor communes in mountainous and isolated areas such as roads, small-scale irrigation works, clean

water, electric power, school, health clinics and markets. It is putting efforts in creating employment and improving livelihoods through promoting the sustainable use of natural resources and product processing in remote areas, training the leadership at the commune and village levels to manage better the economic and social development of their localities, relocating people from areas of extreme hardship to locations with more favorable conditions.

Program 135's first phase, period of 1998-2005, implemented with total government funds of US\$571 million, focused on developing village, communal and inter-communal infrastructure. The Second Phase, from 2006-2010, with a total government budget of US\$1 billion (Quan, 2013), extended to cover agricultural production, capacity-building and improved livelihood. In the first phase, nearly 2500 most vulnerable communes were selected as program beneficiaries. In the second phase, based on reviewed criteria, 1920 communes were included in 2006 and 2500 were added in 2008.

Program 135's main activities are:

- Activities in support of market-oriented agricultural production and income generation.
- Local infrastructure development.
- The capacity-building component includes training activities targeting commune and village officials. Funds are allocated for provinces to design their own training activities to meet local needs, including study and exchange visits.
- Improve livelihood: support to housing and clean water and sanitation facilities; campaign on the delivery of social programs and services; school feeding; training of ethnic minority teachers; teaching Vietnamese language to ethnic minority preschoolers; financial support for ethnic school boarders; free legal services.
- A monitoring and evaluation system.
- Pro-poor budgeting with allocation of funds directed to communes based on the poverty incidence and other criteria determined by the provinces.

- Application of participatory principles in planning, monitoring and evaluation processes at the commune level and strengthening of commune “people’s supervision committees”.
- Increased transparency of financial management, including quarterly financial reports, fund-flow maps and rigorous auditing.
- A communication strategy focusing on behavioral change linked to program objectives.

However, despite impressive achievements, Vietnam recognized that additional effort is needed to accelerate socio-economic development in the most impoverished ethnic regions, so that the poor in general and poor ethnic minorities in particular can catch up with the majority, actively participate in and benefit from mainstream development. The fact is that there are still many communes staying under poverty line, and the poverty reduction rate is not stable. There are loopholes in policies, such as not enough stress on production; investment in production support and capacity-building just made up 25% of the total fund while the remaining 75% was used in building infrastructure.

National Target Program on Employment Generation

This program was established in 1992 with the purpose of alleviating the negative effect of restructuring state enterprises (started from 1986). It aims to promote employment opportunities through provision of severance payments, subsidized credit and training.

Program 661- Project on 5 Million Ha Reforestation

This program seeks to provide direct payments to households in exchange for protecting specific tracts of forests, pay State Forest enterprises to plant areas of forest. It has a vision for an environmentally sustainable rural economy, comprising of:

- Forests covering 43 percent of the country.
- A Hill and Mountain economy free of hunger, with substantially reduced poverty and secure and resilient livelihoods.

The Program is built upon a group of sub-programs:

- Land use planning, forestland classification, allocation and tenure;
- Improving the social status of the forest-dependent farmer;
- Sustainable farmer support services for technology and farm income improvement;
- Farmer financing and investment support;
- State Forest Enterprise restructuring;
- Institutional capacity building from province to commune level.

3. External Support

Vietnam has been receiving supports in every aspect from international community. Among those, Official Development Assistance (ODA) has been playing a key role as a source of external financing and technical assistance. Since the year of 1993, Vietnam has been receiving US\$2.2 billion annually and until the year of 2001, Vietnam was given US\$ 17.5 billion (AusAID, 2002). One reason explaining the increasing funds is that there is improvement in management and coordination between ODA donors and the Government of Vietnam. The donor community includes: Japan, Asian Development Bank, World Bank, France, Denmark, the United Nation, Sweden, Netherlands, Australia and Germany. Their main focus of development are:

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|---|---|----------------------------|
| • Poverty | • Trade Reform | • Natural Disasters |
| • Gender | • Public Financial Management | • Water Resources |
| • Environment | • Education | • Transport |
| • Civil Society and Community Participation | • Health | • HCM City ODA Partnership |
| • Urban Forum | • Forestry | • Legal Needs |
| • SOE Reform and Equitisation | • Partnership to Support the Poorest Communes | |
| • Banking Reform | • Food Security | |

After evaluation the effectiveness of ODA in Vietnam, we have realized that there are some existing issues undermining the performance of the projects. Firstly, among the objectives of ODA's

projects, infrastructure has been overemphasized as over half of ODA disbursement. Meanwhile, human development only makes up 14 percent and rural development makes up 13 percent of total disbursements (AusAID, 2002). Secondly, the unequal distribution to regions is another problem. The rates of ODA per capita per person in the Northern Uplands, the Mekong Delta and the North Central Coast- where over two thirds of the country's poor live- are lower than national average.

4. Policy recommendation

In the process of reducing poverty for ethnic minority in Vietnam, there are many obstacles existing in both internal and external sections. We would want to suggest some ideas that could be helpful for Vietnam in its struggle against hunger and poverty.

For Vietnam side:

- Vietnam needs to set its goals in a longer term vision to achieve a sustainable growth. In the past, Vietnam had set plans just for short period which were usually around 5 years. These led to quantity-oriented policies instead of focusing on quality, resulting in an unstable performance on poverty reduction in various areas.

- Improve the unequal development among regions and provinces.
- Pay more attention to support production instead of investing in infrastructure.
- Promote education to ethnic peoples and reduce their nomadic lifestyle by providing business training for ethnic women and men; expanding vocational training for youth, with an emphasis on skills with an identified local market in the agricultural and nonagricultural sectors; providing of credit, agricultural extension training and market information; scaling up the mother-tongue-based bilingual education; creating incentives for responsible industrial development and local enterprise investment in ethnic minority areas to provide employment options; improving the recruitment and capacity building of local ethnic leadership.

- Be active in building frameworks that fit the needs to each local.
- Be flexible in dealing with urgent situations in each local.
- Greater involvement in cooperation with international organizations.

For ODA donors:

- Increase the amount of funding which is the most essential step on reducing poverty in Vietnam.
- Building projects based on needs of receiving country not on the benefits of donor countries, i.e. instead of focusing on building infrastructure, act more on rural poverty reduction and human development.
- Spillover effect: technological assistance and technology transfer, education of Vietnamese staffs, etc.

IV. Conclusion

As stated above, Vietnam has made very impressive progress towards achieving the MDGs goals which are eradicating extreme poverty and hunger; achieving universal primary education; promoting gender equality and empowering women; reducing child mortality rates; improving maternal health; combating HIV/AIDS, malaria, and other diseases; ensuring environmental sustainability and developing a global partnership for development. However Vietnam has met a few difficulties that block the progress towards reaching MDGs goals in the year of 2015.

Among these MDGs goals, the most challenging one is eradicating extreme poverty and hunger for the minority groups. So far, along with international community's support, Vietnamese government has created many programs, policies and applied many economical models to reduce poverty reduction and hunger alleviation and to improve these peoples' lives. But since most of the minor groups live in mountainous or hard- to reach areas where living conditions are below average and infrastructure is under developed, Vietnamese government and other international organizations have had a hard time approaching and educating these peoples. As there are many obstacles on the way to reduce against hunger and poverty in these areas, we have suggested some ideas to help Vietnam overcome these issues. Our recommendation hopefully will become a small contribution of

the process on poverty eradication. Although there are only two years left for Vietnam to achieve MDGs goals, we wish that Vietnam will try their best to fix the present situation and to achieve the goals on time.

V. Figures

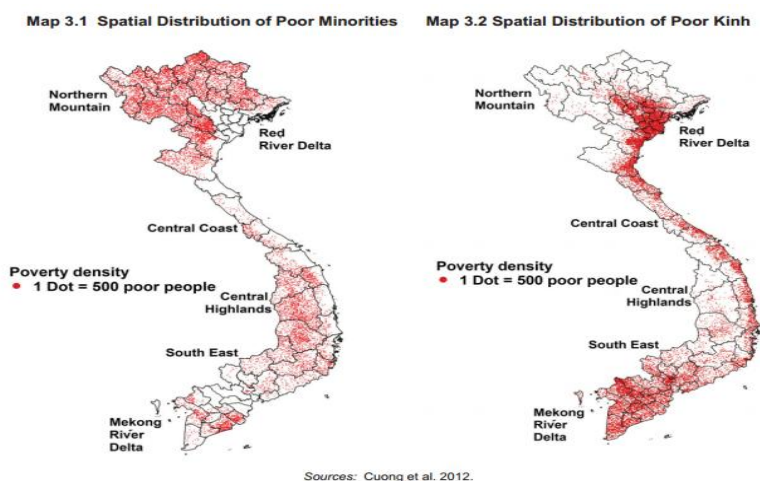


Figure 1: Spatial distribution of Poor Minorities and Poor Kinh

Figure 3.10 Schooling Achievement by Age Cohort, 1998 and 2010



Figure 2 : Schooling Achievement by Age Cohort, 1998 and 2010

Source: 1998 VLSS, 2010 VLSS.

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