1. Project Title
Strengthening Sustainable Development and Climate Planning

2. Government Agency
Ministry of Planning and Investment (MPI) of the Socialist Republic of Viet Nam

3. Project Focal Point
Department of Science, Education, Natural Resources and Environment (DSENRE)
2 Hoang Van Thu, Ha Noi, Viet Nam
Tel: (84-4) 3 584  Fax: (84-4) 3 733 9912

4. Other Implementing Agencies
None

5. Estimate Start & End Dates
3 years – starting in early 2009 and ending in late 2012

6. Estimated Budget
Available budget/ ODA grant (regular) $ 2,400,000
UNDP Resources, UN one plan fund $ 3,725,000
Government contributions (in-kind): $  125,000
Required additional resources: co-finance $ 1,200,000

7. Project Implementation Sites
Hanoi (national)

8. ONE UN and Government Priority Area to be Addressed
Viet Nam has adequate policies and capacities for environmental protection and the rational management of natural resources and cultural heritage for poverty reduction, economic growth, and improving the quality of life

9. Modality of ODA Provision
National Execution Modality (NEX)
List of Acronyms

A21  Agenda 21
ADB  Asian Development Bank
CC   Climate Change
CCA  Climate Change Adaptation
CDM  Clean Development Mechanism
CDS  Capacity Development Support in Environmental Planning and Management (Danida/MPI)
CSTE Committee for Science, Technology and Environment (of the NA)
DCE  Viet Nam-Denmark Development Cooperation in the Environment
DPI  Department of Planning and Investment
DPM  Department of Planning Management, MPI
DSI  Development Strategies Institute, MPI
DRM  Disaster Risk Management
GDP  Gross Domestic Product
GHG  Greenhouse Gas
GOV  Government of Viet Nam
HCMA  Ho Chi Minh National Academy of Politics and Public Administration
IEC  Information Education and Communication
MARD Ministry of Agriculture and Rural Development
M&E  Monitoring and Evaluation
MOC  Ministry of Construction
MOF  Ministry of Finance
MOIT Ministry of Industry and Trade
MONRE Ministry of Natural Resources and the Environment
MPI Ministry of Planning and Investment
MOT Ministry of Transport
NA  National Assembly
NCSD National Council for Sustainable Development
NEX National Execution Modality
NGO Non-Governmental Organization
NTP-CC National Target Program in response to Climate Change (MONRE)
NTS National Technical Specialist
OOG Office of the Government/Prime Minister
PECSME Promoting Energy Conservation in Small and Medium Scale Enterprise Project
SA Sustainability Appraisal
SEA Strategic Environmental Assessment
SEDP Socio–Economic Development Plan
SEDS Socio–Economic Development Strategy
SEMLA Strengthening Environmental Management & Land Administration (MONRE)
STA Senior Technical Advisor (International)
TA Technical Assistance
TOR Terms of Reference
UN United Nations
UNDP United Nations Development Program
UNFCCC United Nations Framework Convention on Climate Change
UN-REDD United Nations Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
VCCI Viet Nam Chamber of Commerce & Industry
VEEPL Vietnam Energy Efficient Public Lighting Project
WB World Bank
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1. Project Overview

1.1 Introduction

The Ministry of Planning and Investment’s Department of Science, Education, Natural Resources and Environment (MPI/DSENRE) is implementing the Sustainable Development and Climate Planning Project in Viet Nam, which is funded by the United Nations (UN). The Project is one of several UN-funded projects aimed to strengthen institutional capacity and policy mechanism for climate change (CC) in Viet Nam. The Project is preceded by UNDP/SIDA/Danida Agenda 21 (A21) Program aimed at strengthening MPI capacity for sustainable development planning. The Project was designed more than three years prior to official approval by the Government of Viet Nam (GOV) and United Nations Development Program (UNDP) in December 2008.

In recent years, the GOV and international donor community has raised the issue of climate change to a top priority. According to the World Bank, Viet Nam is among the most vulnerable countries to climate-affected hazards (e.g., typhoons, droughts and sea level rise) during the course of this century. Coastal economies, particularly Ho Chi Minh City and the Mekong Delta, are highly vulnerable to predicted impacts of climate change. Recent GOV and World Bank studies estimate that a 1-meter sea level rise would displace 11 percent of Viet Nam’s population and result in 11 percent loss to gross domestic product (GDP). Mainstreaming these challenges into socio-economic development planning processes is of paramount importance if Viet Nam is to develop low carbon economic development solutions whilst ensuring climate resilience of the most vulnerable populations including children and the poor.

The Project focuses on strengthening knowledge, coordination and mechanisms for sustainable development and climate planning. UNDP seeks to engage MPI into on-going climate change policy dialogues with the donor community and to leverage its “super ministry” influence into efforts to mainstream climate change into national and sectoral investment planning processes, including the coordination of foreign direct investment. MPI/DSENRE is keenly interested in strengthening existing mechanisms (e.g., National Socio-Economic Development Plans), sustainable development (SD) planning tools (e.g., Sustainability Appraisal), and coordination bodies (e.g., National Council for Sustainable Development). Both parties agree on the importance of linking sound climate change policy research with efforts to strengthen development planning processes and mechanisms at national and provincial levels.

This inception report sets the operational strategy and operational plans for project implementation, in line with the original project objective and outcomes. The inception report updates the original implementation framework and includes a new set of project activities with greater relevance and impact to the SD&CC objective, particularly with regards to CC results.

The purpose of the report is:

• To re-assess the logic and scope of the Project in light of more than three years having elapsed since the original Project Document was prepared;
• To refine the proposed approach and methodology in light of observations by the Project Executive Board (PEB), Project Management Unit (PMU) and other relevant stakeholders;
• To set forth planned activities, deliverables, work schedule and staffing program for the implementation of the Project.

1.2 Project Objective and Scope

The Sustainable Development and Climate Planning Project in Viet Nam is implemented by the Ministry of Planning and Investment’s Department of Science, Education, Natural Resources and Environment (MPI/DSENRE). The Project is funded by the UN One Plan in Viet Nam and was approved by the GOV
Sustainable Development and Climate Planning Project Inception Report

and UNDP in December 2008. The Project is implemented under a National Execution Framework (NEX).

The Project start date is 11 February 2009 (as indicated in Decision No. 191/QD-BKH on establishment of PMU) and is scheduled to finish at end of 2012. The project duration is planned for three (3) years.

The One Plan represents the most critical paths for U.N. development assistance in Viet Nam. The Project will support the achievement of U.N. One Plan through:

**OP Outcome 3** Viet Nam has adequate policies and capacities for environmental protection and the rational management of natural resources and cultural heritage for poverty reduction, economic growth, and improving the quality of life (Outcome 3); and

**OP Outcome 5** Viet Nam has a culture of risk management to be established to reduce vulnerabilities of various sectors and social groups to impacts of climate change and natural disasters.

As stated in the original Project Document: This project aims at strengthening planning climate change capacity for planning institutions at both central and provincial levels.

The **Project Objective** is:

To improve mechanisms, knowledge and tools, capacity and coordination for sustainable development (SD), especially on climate change (CC) for policy development, planning and investment in Viet Nam.

This will be achieved through the following four outputs:

**Output 1** GOV agencies implementing agreed mechanism for integrating sustainable development and climate change into national social and economic plans and investment (*Improved Mechanisms*);

**Output 2** Decision-makers and public equipped with knowledge and tools to change behavior on SD and CC/energy (*Improved Knowledge and Tools*);

**Output 3** Strengthened capacity for sustainable development planning, including climate change (*Improved Capacity*); and

**Output 4** More effective coordinated institutional framework for sustainable development and climate change/energy (*Improved Coordination*).

Additional project resources support the operations, technical support and project management and learning capabilities, which are included as Output 5 in the Project Resource and Results Framework (Annex 1).

1.3 **The Situation and Strategy**

**The Situation**

Viet Nam has made significant progress in socio-economic development. Since 1990, rapid economic growth (7.5% GDP growth per annum) has contributed to raising per capita income from USD170 to USD620 and reducing poverty from 58 percent to 20 percent. Despite these impressive achievements, much of Viet Nam’s robust economic growth has come at the expense of social equity and environmental quality, particularly with regards to stakeholder participation, the loss of biodiversity and pollution. Whilst Viet Nam’s total Greenhouse Gas (GHG) emissions is less than one percent of total global emissions, its GHG emissions are nevertheless projected to double from 104 million Mt CO2e in 1994
Sustainable Development and Climate Planning Project Inception Report

The last inventory date to roughly 233 million Mt CO2e by 2020. Energy production will account for around 80 percent of emissions, with much of the increase from coal-fired electricity generation. Strengthening investment policies to promote foreign investment in renewable energy, energy efficiency and investments cleaner production are prerequisites for transitioning to the low carbon economy.

Whilst the global economies target keeping GHG concentrations within 350 ppm and average temperatures from rising above 2° Celsius, the GOV and donor community has prioritized climate change adaptation (CCA), including efforts to “climate-proof” infrastructure investments and strengthen natural disaster risk management systems. Viet Nam contains a long coastline of dense populations with high vulnerability to natural disasters. According to the World Bank (2007), Viet Nam is ranked #1 among 84 countries surveyed in terms of percentage of population at risk to sea level rise predicted to occur this century. Recent GOV (2009) and World Bank (2007) studies estimate that a 1-meter sea level rise – which is predicted – could result in 11 percent of the population being displaced, 11 percent GDP loss, and 30 percent of the Mekong Delta region inundated. If the global economies are not successful in limiting GHG emissions, then sea level rise could be as high as 4-5 meters by 2100.

Climate change is an important element of sustainable development, and it is now widely accepted that global warming is caused by man and will cause increasingly adverse effects on local economies, with the poor to be affected hardest and first. The climate change challenge – both the mitigation of GHG emissions and adaptation to reduce vulnerability – is a threat to future generations. Addressing this challenge requires urgent policy action. Getting a country the size of Viet Nam toward a low-carbon economic growth trajectory is estimated to cost tens of billions of dollars. The National Target Program for Response to Climate Change (NTP-CC), approved December 2008, has a budget of VND 2 Trillion (USD 112 Million). Investments for disaster reduction and CCA, as estimated in the National Strategy for Natural Disaster Prevention, Response and Mitigation to 2020, will cost VND 242.8 Trillion (USD 13.6 Billion). Mobilizing such financial resources will require the leadership of MPI, which has the mandate to develop national investment plans, attract foreign direct investment and mobilize ODA.

To this end, climate change must be mainstreamed into national and local socio-economic development planning processes, which are critical in mobilizing the public, private and ODA financing to support these considerable needs. MPI will therefore need to lead GOV efforts to tap existing and emerging international funds for carbon finance and climate adaptation. These efforts could then link directly into existing MPI investment planning frameworks, such as the ten-year National Socio-Economic Development Strategy (SEDS) 2011-1020, the five-year National Socio-Economic Development Plan (SEDP) 2011-2015, and the annual SEDPs at national and provincial levels. (Sectoral plans are also critical to the climate change challenge, but these are developed by other line ministries.) Since all land-use planning, disaster risk management and CCA activities are inherently local and provincial planning capacities are generally weak, special effort is needed to enable SD&CC for provincial-level planning departments and staff.

The Strategy

The project focuses on the key mandate of MPI for planning at national and provincial levels and enabling private sector investment. Activities at the national level will focus on institutional reform and capacity development; policy formulation and support for implementation targeting the integration of climate change/energy considerations in SD plans; and policy advocacy through knowledge sharing and awareness raising. At the provincial level, UNDP will support Provincial DPIs to strengthen the technical capacity of departments involved in integrating sustainability concerns, focusing on climate change and energy concerns in local planning.

This Project will contribute to mainstreaming SD&CC into socio-economic development planning processes. In this way, SD&CC issues will receive greater political attention as well as financial support. At the central-level, the Project will focus on enhancing the 5-Year National Socio-Economic Plan (SEDP) for 2011-15, incorporating lessons learned into subsequent annual plans and the 10-year National
Sustainable Development and Climate Planning Project Inception Report

Socio-Economic Development Strategy (SEDS) 2021-2030. This mainstreaming SD&CC into the SEDP process will link directly to a policy research activity that will help to focus and narrow down the SD&CC policy priorities, thereby helping to create a roadmap for MPI and provincial DPIs staff to follow.

Knowledge of climate change and SD&CC planning tools is critical for MPI staff achieve this objective. Planners require deeper understanding of the complex tradeoffs and economic hardship that lack of action will bring. Policies and approaches that promote and enhance low carbon economic growth, energy efficiency, renewable energy, “climate proof” large-scale investments (e.g., dams, bridges and roads), and Green Public Procurement are critical to effective SD&CC planning at all levels. The identification, prioritization and planning to develop these policies and approaches requires integrated, multi-agency cooperation across various ministries and governmental bodies, including the National Assembly (NA) and the Communist Party of Viet Nam (CPV).

Hence, the Project will support institutional learning across various MPI Departments and vertically to regional and provincial levels through science-based policy research studies and briefs. The project will play a leading role in synthesizes existing publications and information in order to develop a set of Viet Nam-specific investment policy recommendations. The resulting studies, briefs and recommendations will be disseminated widely at national-level forums and formulate the “core issues” for regional staff trainings in 15 coastal provinces. To facilitate a much deeper understanding of how SD&CC planning tools can be utilized to improve quality of life indicators and CC policy priorities, international learning opportunities through overseas study exchange and trainings will be offered to mid-level MPI officials. Among various tools, the Sustainability Appraisal (SA) of UK will be piloted in two regions and three provinces.

Finally, coordination between and among MPI, other ministries (especially MONRE, MARD & MOIT) and the international donor community to address these high-priority, cross-sectoral needs in a most urgent manner, which will save money and lives in the long-term. It is this sense of “urgency” that is most absent from the current SD&CC dialogue, and will not likely change without significant leadership at the Prime Ministerial level. To move these issues “above” MONRE (CCA), MARD (NDRM) and MOIT (Energy/Industry) and to prioritize them in a more holistic and systematic manner, elements of the NTP-CC, National Strategy for Natural Disaster Prevention, Response and Mitigation to 2020, and NTP-Energy, should be discussed in a more harmonized (i.e., not separate/stove-piped) manner. These discussions may be convened by MPI or the Office of Prime Minister/Government (OOG). The Prime Minister approved the Orientation Strategy on Sustainable Development (Viet Nam Agenda 21) in August 2004. Within this framework, the National Council for Sustainable Development (NCSD) was established to promote national dialogue on SD issues. More recently, NCSD Working Groups have been established for economic development (chaired by MPI), social development (MOLISA), environmental protection (MONRE) and education (MOET/MOFA).

The Project will aim to support improved policy dialogue and coordination in-line with Viet Nam Agenda 21 by supporting the National Council for Sustainable Development (NCSD) to showcase national priorities for SD&CC planning and to provide an open forum for officials from all 63 provinces and cities to exchange ideas with decision-makers, academics and other stakeholders (e.g., private sector and NGOs). Specifically, the Project will support the 3rd National Conference for Sustainable Development with a plenary session on and three thematic sessions on sustainable production and consumption, climate change, and environmental issues in master planning. The Project will also support NCSD working groups to convene regularly on specific SD topics and will enable the Steering Committee on the Central Highlands to host similar policy dialogues on specific regional development challenges.
1.4 Strategic Approach to Cross-cutting Issues

Integrating SD Principles into the SD&CC Project

The Project seeks to promote the highest principles of sustainable development in the planning and implementation of project activities, including the procurement of staff and technical support. These include:

- **Public-Private Partnership**: Whenever possible, the Project will seek to approach non-governmental stakeholders including private sector associations, research institutions and universities, non-governmental organizations (NGOs) and the media so that policy mechanisms are based on the most credible, market-based and socially acceptable information. Project activities related to information, education and communications (IEC) to promote clean investment should target these enabling actors. Forums, conferences and dialogues should invite their participation, insight and support.

- **Transparency and Accountability**: The Project will apply results-based management principles reported in quarterly and annual work plans, monitoring & evaluation frameworks, and mid-term and final evaluation reports.

- **Gender Equity**: Empowerment of women is critical to sustainable development. Moreover, a community’s resilience to devastating natural hazards is directly correlated to the ability of women in that economy to access education, skills development and finance credit. As women are in general more vulnerable to the effects of climate change, gender equality is a very important issue of sustainable development and climate planning.

Gender Equity as a Cross-cutting Issue

To ensure gender equality, particularly female representation among decision-makers, the Project will undertake the following safeguards to promote gender specific actions and initiatives, including:

- A minimum of 30% women’s participation in every training activity organized by the project including workshop, trainings, study tours, and fellowships for overseas training, which is in-line with the UNDP Gender Equality Strategy 2008-2011;
- Ensuring that all project contractors, trainers and advisory teams are gender balanced;
- Inclusion of gender aspects in capacity building activities;
- Inclusion of gender aspects in media and advocacy activities conducted by the project (e.g. by ensuring that the produced media and advocacy material is gender sensitive and avoiding gender stereotypes); and
- Project M&E data collected will be sex-disaggregated whenever possible.

Project Coordination between Ministries and Departments in Viet Nam

Inter-ministerial/provincial coordination – namely horizontal integration across and within ministries and departments and vertically between national, provincial and local levels – are essential to ensuring effective delivery of governmental services and embedding quantitative and qualitative sustainable development targets and practices into investment and land-use planning systems. Viet Nam has many policies, strategies and tools to assist Viet Nam in achieving these goals, yet there also remains too many high-level decisions that directly conflict with “rational management of natural resources and cultural heritage for poverty reduction, economic growth.” Moreover, at the policy-making level, information sharing and coordination across organizational bodies, particularly between science-based institutions, lawmakers (National Assembly) and government officials (i.e., Office of Government and Ministries) is constrained.

Hence, this Project operates within a larger political landscape where climate change is new, awareness raising remains an essential need, and consensus building is a pre-requisite to policy change. It is
envisioned that a UNDP/MPI Project would have its own distinct comparative advantage on the SD&CC issue, which is to guide CC policy dialogue and coordinate SD&CC investment planning at national and provincial levels. Within the framework of this Project, MPI must take a more active role in donor coordination and strategy setting on CC issues.

MPI/DSENRE is committed to mainstreaming SD&CC into investment planning processes and to ensuring that staff of other ministries and MPI departments are also equipped with knowledge and tools for mainstreaming SD&CC into investment planning. Effective implementation will require working not only within MPI, but also with various offices in MOIT, MONRE, MARD and MOF.

**Donor Coordination**

UNDP has been supporting the GOV to integrate and mainstream sustainable development goals since 1977 and is a trusted partner of the GOV. The UNDP Sustainable Development Cluster includes projects in MONRE and MOST to strengthen energy consumption and energy efficiency in small enterprises (MOST/PECSME); energy efficient public lighting (VEEPL with VAST); and poverty and environment mainstreaming. UNDP also has a long history of supporting natural disaster risk management (NDRM) in Viet Nam, which is increasingly being linked at the policy and technical levels with climate change.

Viet Nam has a large number of bilateral and multilateral donors, as well as INGOs who are focusing greater attention on climate change. The One UN has improved the coherence of UN programs, but these individual projects need to work more closely with other ODA projects, and particularly those in the One UN. The UN, in partnership with the World Bank, hosts regular (monthly) international donor meetings to promote donor harmonization in the CC sector. With climate change increasingly becoming the focus of the donor community, donor coordination is essential so that technical assistance is most efficient, effective and sustainable.

As part of the One UN Plan, the UN is giving greater priority to climate change. UNDP is currently implementing several “sister” projects that address CC institutional issues (see Figure 1). The Project will work with these other UNDP projects to support the NTP-CC, with UNDP/VCCI project to link more closely with the private sector, and with to the UNDP/MARD project to ensure that disaster risk reduction is harmonized with national and local investment planning priorities. By supporting these three ministries and one State-administered business association on climate change, UNDP is well positioned to promote a more cohesive and integrated policy platform to address climate change, particularly with climate planning.

**Figure 1. One UN Climate Change Program & UN-REDD**

<table>
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<tr>
<th>MONRE</th>
<th>MARD</th>
<th>MARD</th>
<th>MPI</th>
<th>VCCI</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support to National Target Program</strong></td>
<td><strong>Disaster Risk Management and Climate Adaptation</strong></td>
<td><strong>Reduced Emissions from Deforestation &amp; Degradation (REDD)</strong></td>
<td><strong>Sustainable Development and Climate Planning</strong></td>
<td><strong>Global Compact Viet Nam</strong></td>
</tr>
<tr>
<td>1. Support to NTP</td>
<td>1. Natural Hazard Risk Reduction Strategy</td>
<td>1. Improved national capacity for REDD</td>
<td>1. Improved mechanisms</td>
<td>1. Corporate Social Responsibility (CSR)</td>
</tr>
<tr>
<td>2. Scientific Base</td>
<td>2. Establish MARD NDRM-P Center</td>
<td>2. Provincial demonstration of mechanism</td>
<td>2. Improved knowledge</td>
<td>2. Cleaner Production</td>
</tr>
<tr>
<td>3. Policy and institutional analysis</td>
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<td>3. Regional leakage</td>
<td>3. Improved capacity</td>
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<td>4. Improved Coordination</td>
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There are many other donors working in the environment, CC and NDRM sectors in Viet Nam. Among the bilateral donors, the Governments of Denmark, the Netherlands and Sweden have had a long-standing, deep cooperation with the GOV for more than a decade.

The Danida-funded Development Cooperation in Environment 2005-2010 (DCE) provides directly to five ministries about US$50 million of support for: i) marine protected areas (MARD); ii) environmental sustainability in poor urban areas (MOC); iii) cleaner production (MOIT); and iv) capacity development support (CDS) in Environmental Planning and Management (MPI). Danida’s CDS is implemented by MPI/DSENRE since late 2005 with roughly US$4 million, including pilot of SEA in Quang Nam Province. The Danida-funded Climate Change Program supports US$40 million to MONRE’s NTP-CC, with roughly two-thirds of this budget for pilot initiatives in Ben Tre and Quang Nam provinces. With NTP-CC chaired by the Prime Minister and administered by the MONRE Standing Office for NTP-CC, the MPI’s coordination role for ODA mobilization is a bit unclear – precisely at the same time when coordination of ODA and the quality of FDI is now so important. Given that the Danida/MPI CDS component shares the same Project Director within MPI/DSENRE with this SD&CC Project, it is even more critical that Project work plans and activities be closely coordinated and programmatically aligned.

The Royal Netherlands Embassy has assumed an active leadership role within the donor community in Viet Nam is a strong advocate for urgent action on forestry, climate change and sustainable development initiatives. The Netherlands provides significant co-financing and technical support to many CC projects and initiatives, from enhanced donor coordination, pushing for stronger mitigation targets within the NTP-CC, advocating for the mainstreaming CC within the SEDSs and SEDPs, and commissioning a Green Public Procurement pilot study in Viet Nam.

Sweden has been a longstanding sustainable development partner of the GOV, including support to VA21 project and NCSD’s National Conference on Sustainable Development through the Environmentally Sustainable Development Program (ESDP). The Viet Nam-Sweden Cooperation Program on Strengthening Environmental Management and Land Administration in Viet Nam 2004-2009 (SEMLA), implemented by MONRE, aims to improve the capacity at national, provincial and local authorities to address pollution and other environmental issues and to provide efficient land administration services. SEMLA, together with Danida/MPI CDS Project, have made significant strides in enabling the legal framework for SEA in Viet Nam.

Multilateral donors including the World Bank (WB) and Asian Development Bank (ADB) have been working in partnership with the UN and GOV to promote sustainable development, climate change mitigation and adaptation, and NDRM. The World Bank has supported the NTP-CC and has a large portfolio of urban infrastructure and coastal cities sanitation programs that will seek to incorporate “climate resilience” methodologies of hotspot identification and sea-level rise scenarios into urban development plans. The WB has also conducted studies on the impact of CC on the agricultural sector. The ADB has also supported the NTP-CC, has led the “climate proofing” agenda in Viet Nam, and has significant CCA projects in HCMC and the Mekong Delta underway. The Project should attempt to build off the many lessons, activities, and technical dialogues on climate proofing and climate resilience that have been led by the WB and ADB for years. Other bilateral donors that provide TA to the GOV include Australia, Germany/GTZ and Japan/JICA among others.
2. Planned Outputs and Activities

The project comprises four outputs as approved by the GOV and UNDP in the original project document, namely:

Output 1  GOV agencies implementing agreed mechanism for integrating SD&CC into national social and economic plans and investment (Improved Mechanisms);
Output 2  Decision-makers and public equipped with knowledge and tools to change behavior on SD&CC/energy (Improved Knowledge and Tools);
Output 3  Strengthened capacity for sustainable development planning, including climate change (Improved Capacity); and
Output 4  More effective coordinated institutional framework for sustainable development and climate change/energy (Improved Coordination).

Output 1  GOV agencies implementing agreed mechanism for integrating SD&CC into national social and economic plans and investment (Improved Mechanisms)

The Project will support a review of environmental protection and SD targets in the existing Socio-Economic Development Plan (SEDP) 2006-2010. Recommendations from this review will then be used to develop guidelines for integrating SD&CC into the 5-Year National Socio-Economic Plan (SEDP) for 2011-15, in cooperation with MPI/DSI, and will be useful for enhancing subsequent annual plans and the 10-year National Socio-Economic Development Strategy (SEDS) 2021-2030. The mainstreaming of SD&CC into the SEDP process will link directly to a policy research (Activity #8), which will narrow down the SD&CC policy priorities and help create a roadmap for MPI/provincial DPIs staff to follow.

The Project also will conduct workshops to share the new SD&CC guidelines as well as related legal documents with various MPI departments and other stakeholders. Finally, the Project will provide technical support through hiring high-level/qualified experts in preparing and developing related policies that aim to integrate SD&CC into SEDS and SEDPs. The institutionalization and integration of SD&CC into planning and investment policies are linked closely with Project Activities for policy research (#3), national training (#13) and overseas training (#14).

Activities include:
1. Assess (i) achievement of SD targets set in the National SEDP 2006-2010, and (ii) Master Plans under MPI mandate; and, if resources available, (iii) investment policies for public and private sector and the impacts on SD&CC for the period 2006-2010.
2. Develop guidelines, including indicators and M&E practices, to integrate SD&CC into the five-year SEDPs and investment policies.
3. Support GOV to institutionalize the integration of SD&CC in planning and investment policies for large-scale investment projects by reviewing policies, identifying gaps & suggesting changes, including support to MPI’s activities in NPT-RCC CC steering Committee, relevant Working Groups, and formulating plans & regulations as required.

Output 2  Decision-makers and public equipped with knowledge and tools to change behavior on SD&CC/energy (Improved Knowledge and Tools)

Firstly, the Project will undertake a baseline assessment that will identify the constraints and opportunities for implementing Strategic Environmental Assessment (SEA) within various sectors and geographic scales. One of the constraints identified during the inception is the lack of government funds and technical guidelines to implement SEA at national, regional, provincial & sectoral scales. The Project will work with DSI, other MPI Departments, and MONRE as well as project staff of SEMLA and CDS
projects, to develop recommendations that will enhance funding support for SEA throughout Viet Nam, particularly at provincial and regional levels.

The Project will support MPI to investigate the application, methodology and piloting of a new planning tool: Sustainability Appraisal (SA). The Project will assess the enabling environment (institutional capacity, legal framework, etc.) to apply SA in Viet Nam, including short training workshops and courses. To aid this, the Project will support a study tour for decision-makers to discuss the elements of SA planning tool with British government officials. Subsequently, the Project will commission pilot studies to apply SA in two regions and three provinces (North, Central and South).

The Project will seek to understand, promote and recommend policy measures for climate proofing of major investments (e.g., roads, dikes, drainage); promote opportunities for cleaner energy and renewable energy; promote Green Public Procurement (e.g., LED public lighting); and opportunities to mobilize and maximize both foreign and domestic public and private clean technology investment. With technical support of the UNDP Policy Advisor Climate Change, a Senior Technical Advisor and a National Technical Specialist, the Project will commission a series of applied research studies with the purpose of collecting and synthesizing the most up-to-date theoretical and practical knowledge on GHG mitigation and CC adaptation policies priorities. This Activity will link back to Activities #3, #13 and #14.

In collaboration with MPI’s Department of Planning Management (DPM), the Project will review policies, regulations and approaches/processes of the planning process (Quy hoach) at national level with piloting sites of Central Highlands, Mekong Delta & Northwest regions. The Project will then draw lessons learned, make recommendations, and revise and formulate recommendations/guidelines for sustainable development for different levels as required.

The Project will support MPI to develop an Information, Education and Communication (IEC) activity that promotes clean investment, which includes clever messages, social marketing techniques and a clear strategy. One option for the IEC strategy is to limit the focus on MPI/DPI staff and key government and private sector partners with whom MPI seeks to attract investment. A second option envisages MPI to engage in broader, grassroots effort to raise public awareness and promote practical steps for SD&CC in the planning sector (e.g., universities, institutes, political academy). Either option could utilize public media, Viet Nam Television, and creative social marketing techniques that involve extensive stakeholder consultations in order to gauge public understanding and identify strategic entry-points for public advocacy. Included in this, is the potential to develop a website (possibly update the existing A21 website to include public access to key GOV documents). The website offers a unique opportunity for the Project to engage students and younger stakeholders who regularly use the Internet to access information and communicate through social networks.

**Activities** include:

4. Assess constraints & opportunities for implementing Strategic Environmental Assessment (SEA) within various sectors and geographic scales, for purpose of mobilizing GOV financial resources to implement SEA strategies at national, regional, provincial & sectoral scales.

5. Undertake a study tour for decision-makers/leaders to examine the application of SA & SEA planning tools and/or examine best practices in smart growth urban development, intermodal mass transit, green government procurement, etc.

6. Assess the enabling environment for the appropriate use of the SA planning tool in Viet Nam.

7. Demonstrate the application of SA planning tool -- including training support of appropriate MPI/DPI staff – for Central Highlands & Mekong Delta regions and three provinces selected from Northwest & Central Viet Nam

8. Undertake 10 policy-focused, evidenced-based research studies for policies development on the following subjects (These studies will be built on results/outcomes from on-going/previous projects by either government, donors or businesses):

   i. Options for Green Public Procurement in Viet Nam;
   ii. Costs/benefit of climate proofing of large-scale infrastructure investments;
   iii. The potential for clean technology investment;
iv. Economic analysis of energy production and use and various scenarios that highlight low-carbon and renewable energy development paths, including feasible investment paths to achieve energy supply targets (e.g., biofuels, renewables, clean coal);
v. Harnessing carbon finance/markets to increase clean technology transfers;
v. Promoting financial incentives to stimulate energy efficiency and demand-side management (e.g., investing in improved transmission infrastructure and LED public lighting systems);
vii. Mass transit, intermodal transit & sustainable transport planning (e.g., wider sidewalks, bike lanes, rapid bus transit, pedestrian-only zones, and methods to limit vehicular traffic in cities);
viii. Smart Growth urban planning principles and promoting Green Building codes;
ix. Climate risk and impacts on water resources and agriculture;
x. Investing in provincial/city climate resilient action plans.

9. Organize seminars on research and case studies conducted and feedback from study tours for policy makers and leaders.

10. In collaboration with MPI’s Department of Planning Management, review policies, regulations and approaches/processes of the planning process (Quy hoach) at national level with piloting sites of Central Highlands, Mekong Delta & Northwest regions; draw lessons learned, and make recommendations; and revise and formulate recommendations/guidelines for sustainable development for different levels as required.

11. Develop and implement an advocacy campaign for “Clean Development,” including strategy that targets planning sector cadres (universities, researchers, political academy).

Output 3 Strengthened capacity for sustainable development planning, including climate change (Improved Capacity)

The Project will seek to improve the capacity of various MPI departments to develop SD&CC planning and investment priorities through a process of synthesizing information/research and generating policy briefs. MPI/DSENRE has a unique role in the policy-making process, including lobbying and awareness raising for top-ranking decision-makers such as the Prime Minister and Deputy Prime Minister, who can subsequently assign MPI to formulate/draft Decisions to integrate CC into planning processes.

The Project will develop short policy recommendation briefs (Tom tat Khuyen nghi chinh sach) and disseminate these briefs throughout MPI and other Ministries, the National Assembly, and provincial DPls. The Project will also share these at regional training workshops designed for provincial-level officials.

The Project will provide a series of national-level and provincial-level training events to build the general knowledge base and staff capability of relevant departments to formulate SD & CC strategies – focusing in general on SD & CC topics but more specifically on the research studies and policy briefs. At the national level, this training will target staff of MPI, the Committee for Science, Technology and Environment of the National Assembly, the Ideology Committee and Economic Department of the Communist Party, and the Ho Chi Minh National Academy for Politics and Public Administration. The Project will conduct regional training workshops for provincial-level staff (DPI, DOF, DOIT, DARD and DONRE) in 15 coastal provinces/cities (approximately half of the coastal provinces/cities in Viet Nam).

Activities include:
12. Develop short policy recommendation briefs (3-5 pages) based on policy research topics for the purpose of disseminating this information rapidly and broadly to all staff responsible for advising decision-makers and policy-makers.
13. Develop and implement national training program for on SD&CC issues (on same topics of policy research studies) for national and provincial-level government officials.
14. Support for mid-level managers to attend short training courses offered by overseas universities.
Output 4 More effective coordinated institutional framework for sustainable development and climate change/energy (Improved Coordination)

The Project will provide enabling technical support to the Secretariat of the National Council for Sustainable Development (NCSD) to become a high-level forum for SD dialogue and coordination across sectors and between national, regional and provincial/city levels. It will comprise decision-makers, policy-makers, technical experts and researchers who will support four newly established thematic/professional commissions: Economic Development, Social Development, Environmental Protection, and Education. The Project will provide experts/consultants to ensure SD&CC best practices and policy recommendations are collected and shared with members of NCSD and policy recommendations (from Activity #12) will be incorporated into the NCSD annual report to the Prime Minister. The Project will also support coordination and dialogue meetings between MPI, other ministries and NA as well as the Steering Committee for Central Highlands to discuss and engage on SD&CC issues.

Activities include:

15. Provide technical support to the Secretariat of the National Council for Sustainable Development (NCSD) and its Working Groups, advice on good practices in SD&CC and policy recommendations through the NCSD to regular reports to the Prime Minister.
16. Support MPI to improve coordination & dialogue among donors, ministries & NA on SD&CC, specifically with MOF & MONRE on NTP-CC (e.g., CC dialogues with donors & all stakeholders and participation in CC international & regional negotiations).
17. Support relevant high-level SD&CC forums (e.g., national conference to review SD progress and lessons learned, forum for SD across sectors and between national, regional and provincial/city levels incl. sharing good practices).
18. Support Steering Committee for Central Highlands to engage on SD&CC issues.
3. Project Implementation Structure

3.1 Management Arrangements

The Project will follow the National Execution (NEX) modality with procedures set out in the Provisional Guidelines for Project Management (October 2005), which is to be replaced by the Harmonized Program & Project Management Guidelines once approved.

National Implementing Partner (NIP)
MPI will be the NIP and thus be accountable to the Government and UNDP for ensuring: a) the substantive quality of the project; b) the effective use of both national and UNDP resources allocated to it, c) the availability and timeliness of national contributions to support project implementation; and d) the proper coordination among all project stakeholders, particularly national parties.

MPI is executing and developing a number of UNDP-supported projects, including: Support to the preparation of National Millennium Development Goals Reports 2008 and 2010 and Strengthening Local Governance. It is also a co-implementing partner, responsible for a component on SEDP implementation progress monitoring and reporting under the Socio-Economic Development Monitoring Project. A new initiative called Support for the Formulation of National Development Strategy 2011 – 2020 is also currently under implementation.

The NIP will have the overall responsibility for implementation of the approved Annual Work Plans and be accountable to the GOV and UNDP for substantive quality as well as for the proper use of all resources assigned. The NIP has the responsibility to manage, coordinate and monitor all project activities, regardless of whether it directly implements activities or assigns other partners to do so.

The MPI Department of Science, Education, Natural Resources and Environment (DSENRE) will serve as the main Responsible Party (i.e., the Project Focal Point) and will be responsible for day-to-day management and implementation of the Project. This includes mobilizing all national and international inputs to support project implementation; organizing and monitoring project activities in accordance with the agreed work plan; and on a quarterly basis reporting to MPI and UNDP on the progress as well as financial status of the project.

Financial Management Mechanism
MPI will be the Project Implementing Partner and will be accountable to the Government and UNDP for the following: i) substantive quality of the project as contribution to the achievement of the project outputs to contribute to One Plan outcomes; ii) the effective use of both national and UNDP resources allocated to it; iii) the availability and timeliness of national contributions to support project implementation and iv) the proper coordination among all project stakeholders, particularly national parties and with other projects.

3.2 Project Management Structure

The Project Management Structure would consist of the followings:

Project Executive Board (PEB)
The Project Executive Board plays an important role in overseeing and guiding the project implementation. The PEB will make all necessary decisions and provide guidance for implementation of project activities, including approval of the Project Work Plan, Annual Work Plans and Budget Revisions.

The PEB members include:
Sustainable Development and Climate Planning Project Inception Report

- Leader of MPI (Chairperson)
- UNDP Representative
- MPI Leaders/Representatives of (invited):
  - Department of Foreign Economic Relations
  - Department of General Economic Issues
  - MPI Development Strategy Institute
  - National Project Director (Vice Chairperson)

The PEB will meet once a year and more frequently as deemed necessary. In case of special requirement beyond PEB mandates or the project need assistances and participations from other related ministries, MPI and UNDP could call for consultation meeting with ODA state management agencies (i.e., OOG, MOF, MOFA, MONRE, MARD, MOIT).

National Project Director
MPI will assign a senior official at the Director-level to be the National Project Director (NPD), who is accountable to MPI for the use of project resources and the deliver on outputs. NPD will is supported by a Deputy National Project Director (DNPD) and an Expert/Official within DSENRE. The NPD requires only part-time involvement in the Project.

Project Management Unit
The Project Management Unit (PMU) is responsible to MPI and UNDP for directing, managing and implementing the project, including preparation of project work plans and budget revisions. Detailed annual plans shall be elaborated based on agreement with UNDP donors and submitted to the PEB for approval. The PMU will cooperate with UNDP to recruit national and international experts in conformity with annual work plans.

The Project Management Unit (PMU) in MPI/DSENRE will be responsible to:
- Prepare an inception report including detailed first year work plan;
- Support the PEB and NPD/NDPD and translate their guidance into day-to-day execution;
- Mobilize technical assistance (TA) in support of the achievement of outputs; and
- Undertake project monitoring, budget management and fulfilling report needs to GOV and UNDP.

The PMU will comprise of the following positions (see Terms of References):
- Project Manager (PM)
- Senior Technical Advisor (International STA)
- National Technical Specialist (NTS)
- Secretary/Interpreter
- Accountant

Project Management Implementation Structure
The Organization Chart below shows the structure of the Project Management.
Figure 1. Project Management Implementation Structure

Consultancies & Other Procurement Mechanisms via UNDP
3.3 Project Management Unit’s Mobilization Activities

Within MPI/DSENRE, the Project Director (Dr. Nguyen The Phuong) and Deputy Project Director (Mr. Nguyen Tuan Anh) initiated work on the Project following the official approval of the Project. A MPI/DSENRE Official (Ms. Nguyen Thi Dieu Trinh) also provides part-time support to project oversight.

Within UNDP Viet Nam Sustainable Development Cluster, the Program Officer (Ms. Huynh Thu Ba) supported the mobilization of technical and financial resources, until her departure from UNDP in August 2009. Subsequently, the UNDP Head of SD Cluster (Mr. Dao Xuan Lai) serves as ad interim program officer. A UNDP Senior Climate Change Policy Advisor (Mr. Koos Neefjes) provides technical coordination vis-à-vis UNDP and other UNDP climate change projects in MONRE, MARD and VCCI.

The Project Management Unit (PMU) oversees (with support of UNDP program staff) all project management, technical support and the procurement of services to implement project activities. The PMU was mobilized in April 2009. It consists of a Project Manager (Ms. Le Thu Lan), a Secretary cum Interpreter (Ms. Le Thuy Hoa) and Accountant (Ms. Nguyen Viet Ha). The PMU is located within MPI/DSENRE in the former Agenda 21 office and office equipment has been purchased. As of early October 2009, the PMU was still absent a UNDP Senior Technical Advisor (STA), which is crucial to first-year inception and implementation phases. To support the PMU, a National Technical Specialist (Mr. Le Duc Chung) position was created and hired part-time beginning in October 2009.

The Inception Mission, comprising one International Consultant (Mr. Nathan Sage) for 25 days and one National Consultant (Mr. Nguyen Thanh Trung) for 20 days, was undertaken from May to September 2009. The Mission’s key deliverables achieved include: a) stakeholder consultation meetings (1-5 June 2009) with relevant MPI and other ministry offices in Hanoi (Annex 6); b) an inception workshop attended by over 50 stakeholders including MPI officials, other central-level officials, donors, researchers and reporters (Annex 7); and c) the Inception Report (October 2009). The Inception Mission spent a significant amount of time facilitating discussion and agreement between UNDP and MPI/DSENRE upon a revised Project Resource and Results Framework (Annex 1), which left much less time to deliver other key deliverables of the mission (e.g., detailed terms of reference for all consultancies).
4. Work Plan Schedule, Monitoring and Reporting

4.1 Work Plan
A Project Work Plan and more detailed Work Plan (Q4) are provided as Annex 2 and Annex 3.

4.2 Monitoring, Evaluation, Reporting

The Project M&E system should follow Circular 04/2007/TT-BKH and Decision 803/2007/QD-BKH on Reporting mechanism for implementation of ODA programs and projects. The MPI has recently published a comprehensive guideline for M&E systems entitled *The Manual for ODA Project Management (June 2009)* that includes a section (Module #6) on Project M&E and Reports. In addition, the UNDP has detailed guide on design method of project M&E entitled Handbook for M&E for Outcomes (2002) (see www.undp.org/ea/rbm/indicator.htm).

Annual Work Plans and Quarterly Work Plans are the main tools for UNDP project monitoring, evaluation and reporting. In addition to these planning tools, the PMU shall work closely with UNDP M&E staff engage short-term specialist to support the develop of a Project M&E Plan.

Within the annual cycle

On a quarterly basis, a quality assessment shall record progress towards the completion of key deliverables, based on quality criteria and methods outlined below:

- An Issue Log shall be activated in Atlas and updated by the Program Officer to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted, a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Quarterly Progress Report (QPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events.

Annually

- An Annual Review Report shall be prepared by the Project Manager and shared with the Project Execution Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- Annual Project Review. Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Execution Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.
5. Implementation Issues and Recommendations

5.1 Start-up Issues

1. A significant portion of the Inception Mission effort was used to develop an improved Results Framework that provides a more strategic approach with new results-based activities and budget allocations to achieve Project Outputs, which remain unchanged. The Project Resource & Results Framework (Annex 1) was reworked to provide greater emphasis to CC planning outcomes than originally designed, including the addition of a new CC policy research activity (at the request of UNDP) that forms the foundation of related trainings, policy assessments and SEDP guideline activities. As a result of lengthy negotiations, some SD&CC activities were bolstered whilst other activities (non-essential to “the MPI mandate”) were reprogrammed or eliminated.

**Recommendation:** With the Project now 8 months into its 36-month project duration, it is critical that the UNDP and MPI/DSENRE come to agreement on the revised Results Framework/Inception Report and move toward full implementation phase immediately. The development of TORs should be undertaken with the STA, and if necessary, a Technical Advisor/ Specialist. Furthermore, based on project needs and project performance in each period of implementation, the Project may hire short-term consultants to assist STA and PMU in specific fields: e.g., Policy Specialist, Research Specialist, ODA Specialist, Training Specialist. All needed and additional human/technical resources will be negotiated with UNDP based on specific TORs.

2. The absence of a UNDP Senior Technical Advisor (STA) during the start-up and first year of implementation has significantly hindered the Project’s ability to conceptualize activities, develop key institutional partnerships and mobilize Year-1 consultancies. Despite several attempts at procuring a UNDP/STA, one is not anticipated to be on duty within the first 10-12 months of the Project. Consequently, the Project is behind schedule and under-spending its budget pipeline.

**Recommendation:** To bolster technical support in the absence of an STA, the PMU acquired in May 2009 one short-term International Technical Advisor (Mr. Nathan Sage) and National Consultant (Mr. Nguyen Thanh Trung) to support the Project Inception and the design of several TORs, particularly those associated with the National Conference on Sustainable Development (Activity #16). Subsequently, the PMU acquired one long-term/part-time National Technical Specialist (Mr. Le Duc Chung), starting 15 October, to further support the PMU to develop TORs, coordinate work plans, mobilize consultancies, etc. The PMU is considering hiring national consultants (long-term) to support the implementation of some Activities (e.g., Coordinator to support the NCSD Secretariat).

5.2 Implementation Issues

3. The UNDP CO and MPI/DSENRE NPD agreed during the inception phase that the Project would focus on the main tasks of MPI: to develop national, regional and master plans – including new decrees and decisions on investment planning – and the process of prioritizing, mobilizing and coordinating public, private and ODA investments.

During the Inception Phase, much discussion was raised on how much of the Project should focus on SD and how much should focus on CC planning outcomes. Other issues centered on whether the legal framework to SEA and SA should be supported by the project (or not). On the issue of Climate Change, MPI/DSENRE noted that CC was simply one aspect of SD and that sectoral issues (e.g., energy plans, transportation plans, urban plans, mining plans) were the mandate of other ministries. Furthermore, with regards to IEC activities, there remains difference of opinions on who the target audience should be, what the message should be, and how to communicate that message in the most effective and efficient manner.
Recommendation: To the extent possible, Activities shall focus on MPI institutional needs first and other GOV institutional needs only as necessary to achieve the project outputs. This is particularly relevant to the design and implementation of a number of activities, particularly trainings, IEC strategy/activities, and policy coordination and dialogues on SD&CC. Furthermore, with MPI currently drafting 5-year national SEDPs, it is crucial that Activities designed to influence the development of SEDPs be implemented earlier (not later) in the project schedule (Note: deadlines for submitting early drafts of these documents in 2009 have already passed). IEC activities should target planning sector cadres within and beyond MPI (e.g., planning universities, research institutes, political academy and selected institutions influencing planning processes at national, regional and provincial levels). To achieve this effectively, the MPI/DSENRE staff should begin to reach out and coordinate more actively with other Departments in MPI and other ministries, and should not rely on consultants to do carry out this responsibility.

4. With nearly all Project inputs by consultancies, there is an inherent risk that “cost” and other factors favor the procurement of local (national) consultancies, and the relatively limited availability and higher cost of offshore (international) consultants are discounted in the procurement decision-making process. Some Project Activities (e.g., Policy Research (#8)) are envisaged and budgeted as joint international-national teams of consultants/consultancies. The NEX modality and UNDP Atlas procurement system makes executing such joint activities a challenge.

Recommendation: To the extent possible, the Project should work to ensure that institutional knowledge is sustained and project inputs are efficient, effective and technically sound – particularly given that nearly all non-workshop activities are implemented by consultancies. This is particularly important during the absence of a UNDP STA. Since the UNDP supports all technical assistance within this Project, it should be clearly understood that all technical inputs and Activities should be of high international standard, whether undertaken by international or national consultants.

5. As discussed in Section 1.4, the One UN Climate Change Program is currently implementing several “sister” projects that address CC institutional strengthening issues. Additionally, there are many ODA programs and initiatives that overlap with the Project (e.g., climate proofing large-scale investments). Hence, programmatic coordination at the technical level is key to increasing efficiencies of scale and supporting the GOV, and in particular MPI, to more easily receive and mainstream all TA inputs from various ODA projects, especially given limited human resources.

Recommendation: To the extent possible, the Project needs to integrate with the other “sister” UNDP TA projects and, beyond these, with ODA activities that are collectively supporting the GOV on SD&CC planning issues, especially the Danida CDS Component on mainstreaming SEA into planning framework; WB & ADB on climate proofing; and Netherlands-funded Green Public Procurement case study/pilot project.

5.3 Sustainability and Risk Issues

6. The GOV’s success in addressing the CC challenges depends on political leadership and urgent action. A number of policy studies including the Stern Report (2007) emphasize the correlation between early CC investments and significantly lower economic losses caused by climate-related natural disasters. With regards to mobilizing ODA and foreign investment, there appears to be some organizational “overlap” between MPI, MONRE and MARD vis-à-vis the GOV’s NTP-CC and NDRM strategies and which institution will “take the lead” for mainstreaming CC into investment planning in Viet Nam.

Recommendation: Activities to Strengthen Knowledge and Improve Coordination were emphasized in the project design to get more MPI staff to better understand the CC Challenge, have access to policy “tools” to mainstream SD&CC into investment planning processes, and to coordinate more
effectively between MPI Departments and across inter-ministerial boundaries. Hence, there is close integration of research, training and analysis activities (Activities #3, #8 and #13). In addition, the Project Strategic Framework was specifically reworked to engage the MPI leadership in mobilizing public, private and ODA investment for climate proofing, green public procurement and CCA investments, which were selected among a handful of in-depth policy research papers and briefs. It is the responsibility of DSENRE to ensure that the results of these Activities are woven together in an integrated manner, least they be implemented and received as stand-alone products. In this way, the Project will best serve the MPI staff who support their leaders’ decision-making.

7. Over the past decade, UNDP and other donors have supported the GOV in developing its social and economic development plans and sustainable development agenda, including drafting and implementing the Strategic Orientation on Sustainable Development in Viet Nam (National Agenda 21). Analysis of UNDP support for sustainable development and international experience demonstrate that addressing sustainable development with the added impetus of climate change is a huge institutional challenge. A 2007 assessment concluded that while the A21 program was successful in placing SD on the political agenda, key institutional and political challenges hindered the actual mainstreaming of SD into investment plans and policies. Weak awareness, lack of good implementation strategy, and strained relations between ministries led to institutional paralysis and poor institutional ministerial buy-in for SD. Attempts to encompass the wide number of institutions involved in SD, through the formation of the National Council for Sustainable Development (NCSD), have largely failed. There is an inherent risk that the same operational and tactical mistakes that resulted in the poor performance of the previous SD planning project could be repeated.

Other barriers/risks identified include: 1) poor or ineffective institutional framework for implementing Viet Nam Agenda 21, and overlap of responsibilities amongst agencies; 2) compartmentalization of projects within and across agencies, limiting positive impacts to within project boundaries and hindering mainstreaming of project results in other policies/programs; 3) lack of human and financial resources to implement SD at local level; 4) poor coordination between other ministries and agencies, leading to duplication of activities and inefficient allocation of resources; 5) lack of clear ‘how to’ guidance on implementing activities and unclear SD targets and indicators for monitoring and evaluation; and 6) top-down consultative processes. This experience in terms of successes and shortcomings of previous UNDP support to MPI were carefully reviewed during the inception phase and should be avoided in the future.

**Recommendation:** The Project Resource & Results Framework was redesigned to accommodate the stronger emphasis on CC planning and investment than originally designed. As a result of lengthy negotiations, these activities were bolstered whilst other, non-essential (to MPI mandate) activities were stricken. Furthermore, DSENRE benefits from the Danida CDS Component efforts to strengthen SEA in Viet Nam, piloting it in various regions and provinces, and is keenly aware of the need to incorporate CC into the SEA framework. Therefore, it is crucial that this Project and Danida CDS Component coordinate closely at a Workplan/Activity level to ensure that TA is complimentary and not duplicative.

The Risk Analysis from the original Project Document is outlined in below. These remain valid. Additional risks/assumptions are provided at Objective, Output and Activity levels the Project Resource and Results Framework (Annex 1).
### Figure 2. Project Risk Analysis

<table>
<thead>
<tr>
<th>Risk</th>
<th>Risk Rating</th>
<th>Risk Minimization Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delay in recruitment of international and national experts</td>
<td>High</td>
<td>International experts must have prior experience delivering high quality capacity development and policy advice on SD (and particularly CC). National experts must have prior experience conducting research as well as networking with partners in Viet Nam and must be familiar with past SD efforts (i.e., what didn’t work and why). Detailed TORs will be drafted to ensure high quality candidates are selected.</td>
</tr>
<tr>
<td>Change in MPI’s role due to institutional restructuring</td>
<td>Moderate</td>
<td>Review institutional changes and remain flexible to changing roles and responsibilities</td>
</tr>
<tr>
<td>A lack of coordination among government departments</td>
<td>Moderate</td>
<td>The Project will provide capacity and policy support towards outlining roles and responsibilities, and identifying areas of synergy. The Project will need to identify (and mobilize) champions within focal agencies to promote project objectives.</td>
</tr>
<tr>
<td>Insufficient coordination with other donor support</td>
<td>Low</td>
<td>Work closely with other donors, especially DANIDA and the other “sister” UNDP projects working on CC, CCA &amp; NDRM in MONRE and MARD.</td>
</tr>
<tr>
<td>Feasibility, plausibility, and effectiveness of the single management structure/system within MPI</td>
<td>Moderate</td>
<td>The Project needs to mobilize the resources and lessons learnt from managing previous UNDP projects, which have elements of this harmonization. Exchanges of experiences with other programs/projects should be further examined and, if needed, promoted.</td>
</tr>
<tr>
<td>Effective coordination among UNDP-supported projects to MPI and other relevant UNDP-supported projects.</td>
<td>Low</td>
<td>Extra efforts and attention will be channeled to internal coordination of all related UNDP assistance.</td>
</tr>
</tbody>
</table>
### Annex 1 – Project Resource and Results Framework

<table>
<thead>
<tr>
<th>Result</th>
<th>Implementing Partners</th>
<th>Related Projects</th>
<th>Indicators</th>
<th>Baseline</th>
<th>Proposed Target Indicators</th>
<th>Means of Verification</th>
<th>Risks &amp; Assumptions</th>
<th>ODA Indicative Budget (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ONE UN Outcome 3:</strong> Viet Nam has adequate policies and capacities for environmental protection and the rational management of natural resources and cultural heritage for poverty reduction, economic growth, and improving the quality of life</td>
<td>Ministry of Planning &amp; Investment (MPI) • Ministry of Finance (MOF) • Ministry of Industry &amp; Trade (MOIT) • Ministry of Natural Resources &amp; Environment (MONRE) • Select Regional &amp; Provincial Authorities • Office of Government (OOG)</td>
<td>Multiple donor programs and projects</td>
<td>Strengthened mechanisms in place to mainstream CC into investment strategies &amp; plans (although MONRE General SEA guidelines exist)</td>
<td>By end of project Viet Nam is able to demonstrate mechanisms toward low carbon investment planning including national targets for reduced GHG emissions, renewable energy, and investment programs to support climate proofing &amp; green public procurement</td>
<td>SD&amp;CC Targets set in 5-year national socio-economic development plans Strategies, plans, policy guidelines &amp; action plans include SD&amp;CC knowledge &amp; tools (e.g., SA, climate proofing, green procurement etc.) Policy research studies on SD&amp;CC challenges associated with large-scale planning and investment policies; policy recommendations developed, and training reports from national and regional training workshops</td>
<td>Assumes GOV is willing to address large-scale drivers of environmental degradation and GHG emissions Assumes MPI/ DSENRE is capable of coordinating other MPI Departments &amp; implementing partners (e.g., MOF, NCSD) to deliver expected outputs</td>
<td>3,600,000</td>
<td></td>
</tr>
</tbody>
</table>

**Objective:** To improve mechanisms, knowledge and tools, capacity and coordination for sustainable development (SD), especially on climate change (CC) for policy development, planning and investment in Viet Nam

<table>
<thead>
<tr>
<th>Implementing Partners</th>
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<td>Ministry of Planning &amp; Investment (MPI) • Ministry of Finance (MOF) • Ministry of Industry &amp; Trade (MOIT) • Ministry of Natural Resources &amp; Environment (MONRE) • Select Regional &amp; Provincial Authorities • Office of Government (OOG)</td>
<td>Multiple donor programs and projects</td>
<td>Strengthened mechanisms in place to mainstream CC into investment strategies &amp; plans (although MONRE General SEA guidelines exist)</td>
<td>By end of project Viet Nam is able to demonstrate mechanisms toward low carbon investment planning including national targets for reduced GHG emissions, renewable energy, and investment programs to support climate proofing &amp; green public procurement</td>
<td>SD&amp;CC Targets set in 5-year national socio-economic development plans Strategies, plans, policy guidelines &amp; action plans include SD&amp;CC knowledge &amp; tools (e.g., SA, climate proofing, green procurement etc.) Policy research studies on SD&amp;CC challenges associated with large-scale planning and investment policies; policy recommendations developed, and training reports from national and regional training workshops</td>
<td>Assumes GOV is willing to address large-scale drivers of environmental degradation and GHG emissions Assumes MPI/ DSENRE is capable of coordinating other MPI Departments &amp; implementing partners (e.g., MOF, NCSD) to deliver expected outputs</td>
<td>3,600,000</td>
<td></td>
</tr>
</tbody>
</table>
### Output 1: GOV agencies implementing agreed mechanism for integrating sustainable development and climate change into national social and economic plans and investment (Improved Mechanisms)

<table>
<thead>
<tr>
<th>Activities:</th>
<th>MPI/DSENRE</th>
<th>MPI/DSI</th>
<th>DCE/CDS with MPI/DSI on SEA</th>
<th>Report assessing past trends in SEDP with regards to SD&amp;CC and current investment policies</th>
<th>No integrated analysis focusing on SD&amp;CC</th>
<th>By end of project SD&amp;CC targets incorporated into national five-year plan and provinces begin to use same indicators</th>
<th>By end of project a multi-stakeholder endorsed socio-economic development plan has been developed that incorporates status and trends of SD and identifies ways &amp; means to address reductions in GHG emissions and climate resilience/adaptation in geo-spatial and temporal scales</th>
<th>National and provincial SEDDs and SEDPs</th>
<th>MPI and DPI staff understand SD&amp;CC priorities and have sufficient knowledge of SD&amp;CC principles, tools &amp; indicators to apply when drafting national socio-economic strategies &amp; plans</th>
<th>230,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Assess (i) achievement of SD targets set in the National SEDP 2006-2010, and (ii) Master Plans under MPI mandate; and, if resources available, (iii) investment policies for public and private sector and the impacts on SD&amp;CC for the period 2006-2010</td>
<td>MPI/DSENRE</td>
<td>MPI/DSI</td>
<td>DCE/CDS with MPI/DSI on SEA</td>
<td>Report assessing past trends in SEDP with regards to SD&amp;CC and current investment policies</td>
<td>No integrated analysis focusing on SD&amp;CC</td>
<td>(i &amp; ii) By end of 2010 an analysis of SD targets for National SEDP 2006-2010 an Master Plans undertaken</td>
<td>(iii) By end of project investment policies for public and private sector, particularly in energy, assessed</td>
<td>Reports</td>
<td>Assumes current and future SD indicators are relevant to SD principles such as inter-generational equity principle, transparency &amp; accountability principle, decentralized power-sharing principle, etc.</td>
<td>50,000</td>
</tr>
<tr>
<td>2. Develop guidelines, including indicators and M&amp;E practices, to integrate SD&amp;CC into the five-year SEDPs and investment policies</td>
<td>MPI/DSENRE</td>
<td>MPI/DMP</td>
<td>MPI/DNEI</td>
<td>MPI/DSI</td>
<td>DCE/CDS with MPI/DSI on SEA at national, regional &amp; provincial scales</td>
<td>UNDP/MONRE climate change project with pilots in Can Tho and Binh Thuan</td>
<td>Data/analysis on current and proposed SD&amp;CC indicators</td>
<td>Some data exists</td>
<td>By mid 2010, all relevant MPI Departments endorse a roadmap generated by MPI working group with SD&amp;CC indicators for development planning system</td>
<td>Reports</td>
</tr>
</tbody>
</table>

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**Activities:**

- **1. Assess (i) achievement of SD targets set in the National SEDP 2006-2010, and (ii) Master Plans under MPI mandate; and, if resources available, (iii) investment policies for public and private sector and the impacts on SD&CC for the period 2006-2010**

  - **MPI/DSENRE**
  - **MPI/DSI**
  - **DCE/CDS with MPI/DSI on SEA**
  - Report assessing past trends in SEDP with regards to SD&CC and current investment policies
  - No integrated analysis focusing on SD&CC
  - (i & ii) By end of 2010 an analysis of SD targets for National SEDP 2006-2010 an Master Plans undertaken
  - (iii) By end of project investment policies for public and private sector, particularly in energy, assessed

  **Reports**

- **2. Develop guidelines, including indicators and M&E practices, to integrate SD&CC into the five-year SEDPs and investment policies**

  - **MPI/DSENRE**
  - **MPI/DMP**
  - **MPI/DNEI**
  - **MPI/DSI**
  - **DCE/CDS with MPI/DSI on SEA at national, regional & provincial scales**
  - UNDP/MONRE climate change project with pilots in Can Tho and Binh Thuan
  - Data/analysis on current and proposed SD&CC indicators
  - Some data exists
  - By mid 2010, all relevant MPI Departments endorse a roadmap generated by MPI working group with SD&CC indicators for development planning system

  **Reports**

  - Assumes current and future SD indicators are relevant to SD principles such as inter-generational equity principle, transparency & accountability principle, decentralized power-sharing principle, etc.

  **Commitment from and coordination with implementing partners**

  **Project Activities undertaken before relevant**
### Project Inception Report - Strengthening sustainable development and climate planning

#### 3. Support GOV to institutionalize the integration of SD&CC in planning and investment for large-scale investment projects by reviewing policies, identifying gaps & suggesting changes, including support to MPI CC Steering Committee, relevant Working Groups, and formulating plans & regulations as required

| Output 2: Decision-makers and public equipped with knowledge and tools to change behavior on SD and CC/energy (Improved knowledge and Tools) | MPI/DPI | Office of Government (OOG) | UNDP/MONRE Climate Change project | Danida Cooperation for Environment (DCE) Capacity Development Support for MPI (CDS) | Number of trained officials | Number of citizens with increased awareness of SD&CC and ways they can help support (e.g., switch to CFBs, Reduce-Reuse) | By end of project 150 central-level and 500 provincial-level officials trained | Reports and interviews with MPI staff | Assumes that holistic SD principles related to the “sustainable” levels of resource exploitation can be quantified master plans that emphasize “maximized” resource | 1,200,000 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| MPI | MOIT | OOG | NA | Various ODA projects | Number of trained officials | Number of citizens with increased awareness of SD&CC and ways they can help support (e.g., switch to CFBs, Reduce-Reuse) | MPI has no specific tools for planning and measuring Sustainability Indicators (esp. Social & Environmental) | By end of project 150 central-level and 500 provincial-level officials trained | By end of 2010, MPI has firm understanding of SEA and SA planning tools and formulates strategy for applying SEA in | |

#### WB & ADB programs
- MONRE’s NTP-CC

- By end of 2010 SD&CC indicators are incorporated in five-year SEDPs
- By mid 2011, SD&CC are rolled out to Regional & Provincial annual plans (and shared with other Ministries to influence sectoral planning processes)

- MPI Departments finalize drafting the next five-year SEDP

- Targets for renewable energy, low-carbon, & climate proofing investments exist and are applied nationwide

- Assumes MPI has political will/consensus & leadership to address SD&CC and change current investment planning policies

- Assumes Project based in DSENRE can successfully influence investment planning processes mandated by other MPI Departments

- MPI has no specific tools for planning and measuring Sustainability Indicators (esp. Social & Environmental)
### Activities:

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
<th>Stakeholders</th>
<th>Output/Outcome</th>
<th>Notes</th>
</tr>
</thead>
</table>
| 4.    | Assess constraints & opportunities for implementing Strategic Environmental Assessment (SEA) within various sectors and geographic scales, for purpose of mobilizing GOV financial resources to implement SEA strategies at national, regional, provincial & sectoral scales | • MPI/DSI  
• MONRE/Agency for Environmental Impact Assessment and Appraisal  
• SIDA/MONRE SEMLA | Recent studies of SEA implementation in Viet Nam  
Danida’s CDS project with MPI/DSI is piloting SEA guidelines for SEDS 2011-2020, Master Plans for North-central and South-central Coastal Regions, & Bac Kan Province | By mid-2010, MPI/DSENRE has assessment of current state of SEA, policy implementation gaps and recommendations for benchmarking ministerial, provincial and sectoral requirement to submit SEA when submitting investment plans |
| 5.    | Undertake a study tour for decision-makers/leaders to examine the application of SA & SEA planning tools and/or examine best practices in smart growth urban development, intermodal mass transit, green government procurement, etc. | • MPI  
• Provincial/city officials | Decision-makers in MPI/DSENRE and other relevant officials | By end 2010, decision-makers/leaders better understand opportunities of SA as a regional planning tool; and/or decision-makers/leaders better understand opportunities for SD/CC investment planning decision-making for smart growth & urban development |

**Reports**

- Good access to other ODA project staff & reports

**Trip Report**

- Project can access relevant organizations & learn best practices of SA & SEA planning tools and smart growth in urban areas as relates to SD&CC

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**Number of new or strengthened SD planning tools**

- By end of 2011, MPI/DPI staff trained in SA planning tools at regional & provincial scales

- By end of 2010, GoV has 10 high quality research studies to enact sound SD&CC policies toward a low carbon & climate resilient national economy

- Extraction and “rapid accelerated growth” of national, regional & provincial economies

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**By end of 2011, MPI/DPI staff trained in SA planning tools at regional & provincial scales**

- By end of 2010, GoV has 10 high quality research studies to enact sound SD&CC policies toward a low carbon & climate resilient national economy

- Extraction and “rapid accelerated growth” of national, regional & provincial economies
### 6. Assess the enabling environment for the appropriate use of the SA planning tool in Viet Nam

- MPI/DSENRE
- MONRE/Agency for Environmental Impact Assessment and Appraisal
- Regional & provincial agencies
- British Embassy

<table>
<thead>
<tr>
<th>SA assessment</th>
<th>None</th>
</tr>
</thead>
</table>

Decision-makers have a deeper understanding of the enabling framework and challenges of designing, implementing & enforcing SA as a planning tool by mid 2010.

- MPI/DSENRE interest in SA remains strong.
- Report-out workshop by key delegates and/or report.

### 7. Demonstrate the application of SA planning tool – including training support of appropriate MPI/DPI staff – for Central Highlands & Mekong Delta regions and three provinces selected from Northwest & Central Viet Nam

- MPI/DSENRE
- Provincial DPIs

<table>
<thead>
<tr>
<th>SA assessments &amp; trainings</th>
<th>No prior SA demonstrations conducted in Viet Nam</th>
</tr>
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</table>

By end of project five (5) SA pilot demonstrations have been conducted that incorporates status and trends of SD and identifies means to address reductions in GHG emissions and climate resilience/adaptation in geospatial scales.

- Activity reports and pilot documents for Central Highlands & Mekong Delta regions and three provinces selected from Northwest & Central Viet Nam.

### 8. Undertake 10 policy-focused, evidenced-based research studies for policies development on the 10 key subjects (see proposed targets)

- MPI
- Other Ministries (incl. MOF, MOIT, MONRE, MARD)
- Research Institutes (incl. Institute of Energy)

<table>
<thead>
<tr>
<th>Peer-reviewed policy research studies conducted</th>
<th>Extensive grey literature examining relevant research topics in Vietnamese context, incl.: ADB study on impact of CC on Viet Nam</th>
<th>Research studies: i. Options for Green Public Procurement; ii. Climate proofing large-scale infrastructure investments; iii. Potential for clean technology investments; iv. Economic analysis of energy production &amp; scenarios highlighting low-carbon &amp; renewable energy development paths, including feasible investment paths to achieve energy supply targets (e.g., biofuels, renewables, clean coal); v. Harnessing carbon finance mechanisms to increase clean technology transfers; vi. Promoting financial incentives to stimulate energy</th>
</tr>
</thead>
</table>

- Research study reports
- Research study documents

- Activity reports
- Research study reports

Highly qualified teams of experts (mix of international and national) to undertake extensive literature review, data collection & analysis. Access to key information & grey literature, which may not be widely published or accessed via internet.

- Highly qualified teams of experts (mix of international and national) to undertake extensive literature review, data collection & analysis. Access to key information & grey literature, which may not be widely published or accessed via internet.

- Study reports

- Highly qualified teams of experts (mix of international and national) to undertake extensive literature review, data collection & analysis. Access to key information & grey literature, which may not be widely published or accessed via internet.

- Research study reports

- 700,000
### 9. Organize seminars on research and case studies conducted and feedback from study tours for policy makers and leaders

- **MPI/DSENRE** with various MPI Departments, Ministries & selected pilot Provinces
- **UNDP & various donors**

  - Topic specific seminars with key decision-makers and their staff

  - **UNDP/mpi seminar series on policy research topics conducted by researchers for key audiences in mpi, OOG, NA, etc.**

  - Presentations delivered

  - 30,000

### 10. Review policies, regulations and approaches/process of the Master planning process (Quy hoach) at regional level with piloting sites of Central Highlands, Mekong Delta & Northwest regions; draw lessons learned and make recommendations; and revise and formulate recommendations/guidelines for sustainable development for different levels as required

- **MPI/DSENRE**
- **MPI/DMP**
- **DPs**
- **Various other Departments**

  - **UNDP & various donors**
  - **DEC/SEC**

  - Revised set of recommendations/guide-lines for sustainable development that has been field-tested/verified in Central Highlands, Mekong Delta & Northwest regions

  - **SEAs compiled**

  - **Set of recommendations/guidelines for sustainable development in Central Highlands Mekong Delta, & Northwest regions**

  - **Set of policy-specific recommendations/guideline for sustainable development in Central Highlands Mekong Delta, & Northwest regions**

  - 30,000

### 11. Develop and implement an advocacy campaign for the “Clean Development”

- **MPI/DSENRE**
- **MPI/Department of Trade & Services (DTS)**
- **MOF**
- **MOIT**

- **UNDP/MONRE Climate Change Project**

- **UNDP/MOIT Project on Demand-side Management**

  - **Clean Development Strategy**

  - **Communication materials &**

  - No strategies or specific materials, although previous LA21 projects have utilized propaganda – need

  - **Strategic, creative & well-planned Information, Education & Communications (IEC) program of**

  - **Clean Development Strategy Document with targeted Information, Education & Communications**

  - 125,000
### Project Inception Report - Strengthening sustainable development and climate planning

**Output 3: Strengthened capacity for sustainable development planning, including climate change (Improved capacity)**

<table>
<thead>
<tr>
<th>Activities:</th>
<th>UNDP/VCCI</th>
<th>UNDP/VCCI project with private sector</th>
<th>Previous UNDP/SIDA A21 Program</th>
<th>events</th>
<th>to review “stickiness” of key messages</th>
<th>activities emphasizing SD&amp;CC themes</th>
<th>(IEC) activities</th>
<th>IEC materials, media reports, press coverage, highlighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. Develop short policy briefs (3-5 pages) based on policy research topics for the purpose of disseminating this information rapidly and broadly to all staff responsible for advising decision-makers and policy-makers</td>
<td>MPI/DSENRE</td>
<td>OOG</td>
<td>NA</td>
<td>CPV</td>
<td>UNDP &amp; partners who undertake inputs to Activity 8</td>
<td>Set of policy briefs (3-5 pages) based on policy research topics</td>
<td>MPI works closely with CPV, NA and OOG staff to formulate top-level policy related to foreign &amp; domestic large-scale investment priorities</td>
<td>By end of project 10 policy briefs developed &amp; shared with decision-makers &amp; their staff</td>
</tr>
<tr>
<td>13. Develop and implement national training program strategy (including Master Plan?)</td>
<td>MPI</td>
<td>Various UNDP, donor &amp; NGO initiatives</td>
<td>Training Master Plan including</td>
<td>Several donor &amp; NGO seminars</td>
<td>Training program strategy (including Master Plan?)</td>
<td>Training Report &amp;</td>
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<tr>
<td>Project Inception Report - Strengthening sustainable development and climate planning</td>
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<tr>
<td><strong>Training Program on SD&amp;CC Issues</strong> (on same topics of policy research studies) for national and provincial-level government officials</td>
<td>NGO</td>
<td></td>
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<tr>
<td>Training needs assessment &amp; detailed training plan</td>
<td>Conducted, but few/no formal trainings &amp; low capacity among policy-making staffers on the need, urgency, ways &amp; means of main-streaming SD/CC into policies, strategies &amp; investment priorities</td>
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<tr>
<td>Workshops for policy staff of CPV, NA, HCMA, OOG, MPI &amp; other ministries</td>
<td>How to mainstream training on SD&amp;CC as part of the official training program for mid-level officials based on a training needs assessment at national and provincial levels and including a detailed training plan</td>
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<tr>
<td>Regional training workshops for 15 coastal province departments, including PPC, DARD, DPI, DOC, DOF, DOIT, DONRE</td>
<td>Workshops for policy staff of the CPV Secretariat, NA, HCMA, OOG, MPI &amp; other ministries; Regional training workshops for officials from 15 coastal provinces</td>
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</tbody>
</table>

| **Support Mid-Level Managers to Attend Short Training Courses at Overseas Universities** | MPI |
| Scholarships awarded | Four or five MPI staff receive scholarships & professional certificates from accredited overseas study programs (e.g., 2-6 week trainings) |
| Staff receive overseas short-term training | Press release/media reports |
| Various donors incl. Danida | Copy of overseas study certificates |

| **Output 4: More Effective Coordinated Institutional Framework for Sustainable Development and Climate Change/energy (Improved Coordination)** | MPI/DSENRE |
| Participation & leadership of MPI at donor dialogues | Minutes of donor dialogues |
| MPI leadership to ensure SD&CC themes prominently emphasized in ODA coordination mechanisms (e.g., Consultative Group Meetings) | Prime Minister & MPI statements & ODA priorities at Consultative Group Meetings |
| MPI represented at key international & regional | Proceedings of international & regional conferences |

| **Output 5: Various Donors** incl. Danida |
| Scholarships awarded | Scholarships awarded |
| Staff receive overseas short-term training | Staff receive overseas short-term training |

| **UNDP & various donors** |
| Climate change mitigation & adaptation a major theme of ODA to GOV, but MONRE (not MPI) leading on issue | Minutes of donor dialogues |
| SD theories & A21 programs have been promoted for a decade in Vietnam, but GOV policies at national, regional & provincial levels continue to support “rapid economic development” that fully exploits | Prime Minister & MPI statements & ODA priorities at Consultative Group Meetings |
| Institutional frameworks & coordination among & between donors, investors & MPI strengthened to support achievements in real SD&CC/energy policies & targets (e.g., NTP-CC and NTP-Energy) | Proceedings of international & regional conferences |
| NCSD becomes a forum to share best practices and incube sound SD policies nationally | NCSD proceedings & minutes of working group meetings |
| By end of project, at | Bylaws of Regional Council for SD or proposal/roadmap to formally establish |

| **NCSD** |
| NCSD Chairman avails himself of other duties in order to convene meetings & take a strong leadership role to promote SD&CC issues | NCSD Chairman avails himself of other duties in order to convene meetings & take a strong leadership role to promote SD&CC issues |

| **Partners** |
| UNDP & various donors |
| Participation & leadership of MPI at donor dialogues |
| MPI leadership to ensure SD&CC themes prominently emphasized in ODA coordination mechanisms (e.g., Consultative Group Meetings) |
| MPI represented at key international & regional |
| Climate change mitigation & adaptation a major theme of ODA to GOV, but MONRE (not MPI) leading on issue |
| SD theories & A21 programs have been promoted for a decade in Vietnam, but GOV policies at national, regional & provincial levels continue to support “rapid economic development” that fully exploits |
| Institutional frameworks & coordination among & between donors, investors & MPI strengthened to support achievements in real SD&CC/energy policies & targets (e.g., NTP-CC and NTP-Energy) |
| NCSD becomes a forum to share best practices and incube sound SD policies nationally |
| By end of project, at |

| **Minutes of donor dialogues** |
| Minutes of donor dialogues |
| Minutes of donor dialogues |
| Minutes of donor dialogues |
| Minutes of donor dialogues |

| **UNDP & various donors** |
| Climate change mitigation & adaptation a major theme of ODA to GOV, but MONRE (not MPI) leading on issue |
| SD theories & A21 programs have been promoted for a decade in Vietnam, but GOV policies at national, regional & provincial levels continue to support “rapid economic development” that fully exploits |
| Institutional frameworks & coordination among & between donors, investors & MPI strengthened to support achievements in real SD&CC/energy policies & targets (e.g., NTP-CC and NTP-Energy) |
| NCSD becomes a forum to share best practices and incube sound SD policies nationally |
| By end of project, at |

| **Partner** |
| Partners |
| Various donors incl. Danida |
| Various donors incl. Danida |
| Various donors incl. Danida |

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<table>
<thead>
<tr>
<th>Activities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Provide technical support to the Secretariat of the National Council for Sustainable Development (NCSD) and its Working Groups, advice on good practices in SD&amp;CC and policy recommendations through the NCSD to the annual report to the Prime Minister/OOG</td>
</tr>
<tr>
<td>MPI, NCSD, OOG</td>
</tr>
<tr>
<td>UNDP, SIDA, Danida and other donor initiatives focused on enabling GoV to meet their obligations to multilateral agreements (e.g., Agenda 21, UNFCCC, Millennium Challenge Goals, etc.)</td>
</tr>
<tr>
<td>Technical support to NCSD conferences, meetings, &amp; forums</td>
</tr>
<tr>
<td>NCSD established and chaired by Deputy Prime Minister</td>
</tr>
<tr>
<td>NCSD has convened two national conferences</td>
</tr>
<tr>
<td>NCSD has four Working Groups: econ dev, social dev, env protection &amp; education</td>
</tr>
<tr>
<td>MPI supports NCSD to make SD&amp;CC policy recommendations to the annual report to the Prime Minister</td>
</tr>
<tr>
<td>Conference proceedings, meeting minutes &amp; forum presentations</td>
</tr>
<tr>
<td>Assumes Deputy Prime Minister who chairs NCSD is a strong policy advocate for SD&amp;CC topics, thereby providing necessary supra-ministerial leadership whilst enabling inputs to annual report to Prime Minister</td>
</tr>
<tr>
<td>16. Support MPI to improve coordination &amp; dialogue among donors, ministries &amp; NA on SD&amp;CC, specifically with MOF &amp; MONRE on NTP-CC (e.g., CC dialogues with donors &amp; all stakeholders and participation in CC international &amp; regional negotiations)</td>
</tr>
<tr>
<td>MPI/FERD, MOFA</td>
</tr>
<tr>
<td>UNDP &amp; various donors support to GOV to meet int'l env agreements for SD&amp;CC (e.g., CBD, UNFCCC, etc.)</td>
</tr>
<tr>
<td>UN/WWF-led donor forum on CC</td>
</tr>
<tr>
<td>MONRE NTP-CC</td>
</tr>
<tr>
<td>MPI-led dialogues on SD&amp;CC issues</td>
</tr>
<tr>
<td>MPI representation at key inter-national &amp; regional conferences</td>
</tr>
<tr>
<td>Coordination among and between donors and GOV ministries ongoing, but not led or coordinated by MPI, whose mandate includes ODA coordination &amp; mobilization of foreign &amp; domestic investment</td>
</tr>
<tr>
<td>By end of 2010, regular and periodic dialogue forums held among GOV/MPI and donors on SD&amp;CC</td>
</tr>
<tr>
<td>Minutes of SD&amp;CC dialogues forums Proceedings of international &amp; regional conferences</td>
</tr>
<tr>
<td>Assumes Deputy Prime Minister who chairs MPI is fully represented at major SD&amp;CC international and regional conferences</td>
</tr>
<tr>
<td>17. Support relevant high-level SD&amp;CC forums (e.g., national</td>
</tr>
<tr>
<td>MPI, NCSD</td>
</tr>
<tr>
<td>UNDP and various donor initiatives</td>
</tr>
<tr>
<td>Forums &amp; meetings held to share good</td>
</tr>
<tr>
<td>GOV has established a NCSD &amp; four</td>
</tr>
<tr>
<td>By end of project, NCSD has held regular national</td>
</tr>
<tr>
<td>Conference proceedings, minutes of meetings</td>
</tr>
<tr>
<td>NCSD Chairman avails himself of other duties in</td>
</tr>
</tbody>
</table>
conference to review SD progress and lessons learned, forum for SD across sectors and between national, regional and provincial/city levels incl. sharing good practices)  

<table>
<thead>
<tr>
<th>OOG</th>
<th>practices in SD&amp;CC</th>
<th>Working Groups conference and working group meetings</th>
<th>and/or press releases</th>
<th>order to convene meetings &amp; take a strong leadership role to promote SD&amp;CC issues</th>
</tr>
</thead>
</table>

18. Support Steering Committee for Central Highlands to engage on SD&CC issues.  

| MPI | NCSD | RCSD meetings | LA21 program has established framework for SD in about 10 provinces  
NCSD Steering Committee has been established, but financial, human & technical resources are inadequate to support sound policy analysis & coordination | By end of project Steering Committee for Central Highlands addresses SD&CC issues | Proceedings, reports, etc. | Governance system in VN is strong at central, provincial & local levels but not regional or inter-province level  
Assumes NCSD will engage on controversial SD&CC issues underway in the Central Highlands (e.g., deforestation, ethnics, bauxite mining) | 25,000 |

| Output 5: Project adaptive management | 1,530,000 |

19. Project staff, international experts, and ad-hoc service & consultancies | 1,230,000 |

20. Peer review & quality assurance | 90,000 |

21. General Management Support (GMS) | 210,000 |

Total Budget: | 3,600,000 |
## Annex 2 – Project Work Plan (3-Years)

<table>
<thead>
<tr>
<th>Project activities</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity 1</strong> Assess (i) achievement of SD targets set in the National SEDP 2006-2010, and (ii) Master Plans under MPI mandate; and, if resources available, (iii) investment policies for public and private sector and the impacts on SD&amp;CC for the period 2006-2010</td>
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<td><strong>Activity 2</strong> Develop guidelines, including indicators and M&amp;E practices, to integrate SD&amp;CC into the five-year SEDPs and investment policies</td>
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<td><strong>Activity 3</strong> Support GOV to institutionalize the integration of SD&amp;CC in planning and investment policies for large-scale investment projects, incl. support to MPI CC Steering Committee, relevant Working Groups, and formulating plans &amp; regulations as required</td>
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<td><strong>Activity 4</strong> Assess constraints &amp; opportunities for implementing SEA within various sectors and geographic scales, for purpose of mobilizing GOV financial resources to implement SEA strategies at national, regional, provincial &amp; sectoral scales</td>
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<td><strong>Activity 5</strong> Undertake study tour for decision-makers/leaders to examine the application of SA &amp; SEA planning tools; and/or to examine best practices in smart growth urban development, intermodal mass transit, green government procurement, etc.</td>
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<td><strong>Activity 6</strong> Assess the enabling environment for the appropriate use of the SA planning tool in Viet Nam</td>
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<td><strong>Activity 7</strong> Demonstrate the application of SA planning tool – including training support of appropriate MPI/DPI staff -- for Central Highlands &amp; Mekong Delta regions and three provinces selected from Northwest &amp; Central Viet Nam</td>
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<td><strong>Activity 8</strong> Undertake 10 policy-focused, evidenced-based research studies for policies development on 10 key subjects</td>
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<td><strong>Activity 9</strong> Organize seminars on research and case studies conducted and feedback from study tours for policy makers and leaders</td>
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<td><strong>Activity 10</strong> Review policies, regulations and approaches/process of the planning process (Quy hoach) at national level with piloting sites of Central Highlands, Mekong Delta &amp; Northwest regions; draw lessons learned and make recommendations; and revise and formulate recommendations/guidelines for SD for different levels as required</td>
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<td><strong>Activity 11</strong> Develop and implement an advocacy campaign for the “Clean Development”</td>
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<td><strong>Activity 12</strong> Develop short policy briefs (3-5 pages) based on policy research topics for the purpose of disseminating this information rapidly and broadly to all staff responsible for advising decision-makers and policy-makers</td>
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<td><strong>Activity 13</strong> Develop and implement national training program for on SD&amp;CC issues (on same topics of policy research studies) for national and provincial-level government officials</td>
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<td><strong>Activity 14</strong> Support mid-level managers to attend short training courses at overseas universities</td>
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<td><strong>Activity 15</strong> Provide technical support to NCSD Secretariat and its Working Groups, advice on good practices in SD&amp;CC; and NCSD policy recommendations in annual report to Prime Minister/OOG</td>
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<td><strong>Activity 16</strong> Support MPI to improve coordination &amp; dialogue among donors, GOV &amp; NA on SD&amp;CC, specifically with MOF &amp; MONRE on NTP-CC</td>
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<td><strong>Activity 17</strong> Support relevant high-level SD&amp;CC forums</td>
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<td><strong>Activity 18</strong> Support Steering Committee for Central Highlands</td>
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</table>
Annex 3 – Annual Work Plan (Year 1)
Annex 4 – Project Budget
Annex 5 – Job Descriptions for Key Positions
Annex 6 – List of Stakeholders Consulted during Inception Mission
Annex 7 – Inception Workshop Agenda and Minutes from Q&A