



SOCIALIST REPUBLIC OF VIET NAM

# Viet Nam Achieving The Millennium Development Goals

August 2005





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(Approved by the Prime Minister  
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## **FOREWORD**

In September, 2000, at the dawn of the new Millennium, I had the great honor, together with 189 Heads of the State and Government of the United Nations member states, to commit ourselves to the implementation of the Millennium Declaration, an outstanding event in sixty-year history of the United Nations.

In its National 2001-2010 Socio-Economic Development Strategy, the Government of the Socialist Republic of Viet Nam has set out the Development Goals, which are in the main in line with the Millennium Development Goals (MDGs) that the Heads of State and Government of the UN member states altogether committed to implement at the Millennium Summit in September, 2000. Viet Nam has adapted the MDGs to the country's specific conditions and integrated these goals into its socio-economic development strategies and programmes, five-year plans and annual plans; created higher and more effective capacity to mobilize the entire people to reach these goals which are in line with the common progress and commitments made at the Millennium Summit.

The achievements that each nation has so far been able to achieve prove that the UN Millennium Declaration is desire of the entire mankind on our planet for a more beautiful future when development is more sustainable and equitable.

The implementation of the MDGs in Viet Nam has been closely linked with the country's system of socio-economic development goals which are in parallel with the reforms in mechanism, policies, mobilization of development resources with priority given to less developed regions, poorer and more vulnerable groups. Therefore, more and more branches and sectors at all levels and communities are taking part in the implementation of the MDGs.

Apart from the initial successes that Viet Nam has achieved by mobilizing, to the maximum extent, its domestic resources, reforming the style of management and execution, and tapping up the potential of the people of all social strata, Viet Nam has also been receiving supports both in the form of resources and experiences from different Governments, international donors community, UN agencies and Non-Governmental Organizations (NGOs) etc., which helped increase the possibility for achieving the MDGs in Viet Nam.

Through this report, Viet Nam would like to share its experiences in the development of the country and implementation of the MDGs, while strongly reconfirming the determination of Vietnamese Government to continue its implementation of the Millennium Declaration.

The President of the Socialist Republic of Viet Nam

**Tran Duc Luong**

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## MAIN ACRONYMS

ADSL	Asynchronous Digital Subscriber Line
AFB(+)	Acid-Fast Baccilli
AFTA	Asian Free Trade Area
AIDS	Acquired Immune Deficiency Syndrome
APEC	Asia Pacific Economic Cooperation
ASEAN	The Association of South East Asian Nations
BOD5	Biochemical Oxygen Demand
CDM	Clean Development Mechanism
CDMA	Code Division Multiple Access
CO2	Carbon Dioxide
COD	Chemical Oxygen Demand
CPRGS	Comprehensive Poverty Reduction and Growth Strategy
DOTS	Directly Observed Treatment Short Course (internationally recommended control strategy for tuberculosis)
DSM	Demand of Energy Management
ECOSOC	Economic and Social Council
EPI	Extended Programme on Immunization
EU	European Union
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FTA	Free Trade Area
GDI	Gender Development Index
GDP	Gross Domestic Product
GINI	Indicator Reflecting the Inequality in Income Distribution
GMP	Good Manufacturing Practice
GNP	Gross National Product
GSO	General Statistics Office
H5N1	Virus Causing Avian Influenza
HEPR	Hunger Eradication and Poverty Reduction
HEPRJC	Hunger Eradication and Poverty Reduction and Job Creation Program
HIPC	Highest Indebted Poorest Countries
HIV	Human Immunodeficiency Virus
ILO	International Labor Organization
ISO	International Standardization Organization

MDG	Millennium Development Goal
MDGR	Millennium Development Goals Report
MOLISA	Ministry of Labor, War Invalids and Social Affairs
MONRE	Ministry of Natural Resources and Environment
NCFAW	National Committee for the Advancement of Women
NGO	Non-Governmental Organization
NO <sub>2</sub>	Nitric Dioxide
ODA	Official Development Assistance
SARS	Severe Acute Respiratory Syndrome
SEANWFZ	Southeast Asian Nuclear Weapon-Free Zone
SME	Small to Medium Enterprises
SO <sub>2</sub>	Sulphur Dioxide
SOE	State-Owned Enterprise
TB	Tuberculosis
TRIMs	Trade-related Investment Measures
TRIPs	Trade-related Intellectual Property
UN	United Nations
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNGASS	United Nations General Assembly Special Session
UNICEF	United Nations Children's Fund
USD	United State Dollar (Exchange rate for 2005: 1USD = 15,800 VND)
VDG	Viet Nam Development Goal
VHLSS	Viet Nam Household Living Standards Survey
VND	Vietnamese Currency
VNPT	Viet Nam Post and Telecommunications
VWU	Viet Nam Women's Union
WB	World Bank
WHO	World Health Organization
WTO	World Trade Organization

## PREFACE

Viet Nam is located in South East Asia with the total land of 329,314 square kilometers and the coastal line of approximately 3,200 kilometers stretching from North to South. In 2005, its population is 83.2 million, of which women account for 51.2%. The average population growth rate is 1.4% per annum; the population at the working age is about 43.6 million people, accounting for 52% of the total population. Average life expectancy is 71.3 years, the population density is 252 persons per square kilometer; and the urban population accounts for about 27.2 percent of the total.

Viet Nam has 54 different ethnic groups, which live in equality and unity, acting together for national development. Viet Nam has 64 cities and provinces. Hanoi is the capital city with the population of 3.1 million people.

The average GDP per capita in 2004 was about USD 560.

After reunification in 1975, Viet Nam switched its focus to reconstruction and development to ensure that its citizens can live in independence, freedom and realize their rights to seeking and enjoy happiness as stated in the Independence Declaration, which gave birth to the Democratic Republic of Viet Nam in 1945.

However, due to the severe damages caused by many years of war and due to both a hostile international environment and policy weaknesses, Viet Nam's economy experienced a long lasting crisis during the 1970s and 1980s. To overcome these difficulties Doi Moi (reform) process was initiated 1986 with the following main elements:

- Shifting from a planned centralized economy based on public ownership to a multi-sector economy based on the market;
- Democratizing social life by building a state on the basis of the rule of law, which is of the people, by the people and for the people; and
- Strengthening external co-operations on the basis of befriending with all countries to strive for peace, independence and development.

Doi Moi has created many opportunities for development and increased the national capacity for taking advantage of these opportunities, consistent with national character, cultural values and thought. It can be said that Doi Moi has created a notable historical breakthrough in the socio-economic and human development in Viet Nam.

Following success in implementing the Strategy on Socio-economic Stabilization and Development 1991 - 2000, Viet Nam has entered a new stage of development, seeking to accelerate the progress of national industrialization and modernization. At present, Viet Nam is implementing Socio-economic Development 2001 – 2010 Strategy, which is aimed to lift the country from its under-developed status; greatly improve people's physical, social and cultural living conditions; to develop a socialist-oriented market economy; and establish the foundation for Viet Nam to become a modern industrialized country by 2020.

Basing on MDGs and the country's own orientation, Viet Nam has established its own 12 development goals (referred to as Viet Nam's Development Goals or VDGs), which includes social and poverty reduction targets for 2010.

The VDGs both fully reflect the MDGs and at the same time, take into account typical development features in Viet Nam. The VDGs are integrated into the national socio-economic development strategies and program and also translated into specific targets. They provide a basis to facilitate the implementation of MDGs in a timely and effective manner.

The Government of Viet Nam has issued many documents to guide the implementation of MDGs and VDGs. They include the Comprehensive Poverty Reduction and Growth Strategy (approved in 2002), and Orientation for a Sustainable Development Strategy (or also called Viet Nam's Agenda 21, issued in 2004). A range of socio-economic programmes has also been launched throughout the country.

From 1990 to 2004, Viet Nam's GDP nearly tripled; the average annual GDP growth rate was 7.5%; the percentage of poor households decreased from 58% in 1993 to 24% in 2004; domestic resources for development were strengthened; international economic relations, especially in terms of international trade and FDI attraction, were continuously expanded; people's physical and spiritual conditions were improved; and the political and social situation remained stable.

These successes primarily came from the efforts of Vietnam's Government and people, which have maximized the use of domestic resources, encouraged innovation and changed ways of thinking. Assistance from the international donor community was important, in terms of both resources and access to experience, bilateral and multilateral agencies, including UN agencies.

However, Viet Nam is still facing a number of difficulties and challenges: the quality of growth and efficiency in using the Government's budgetary resources need to be improved; income gaps among regions and social groups have increased; poor regions and ethnic minorities still struggle with many hurdles in accessing basic social services; gender inequality still exists; the spread of HIV/AIDS is worrisome; environmental pollution is also increasing due to a rapid process of industrialization, urbanization and exploitation of natural resources.

This report reviews the implementation of MDGs and VDGs. The report focuses on presenting the achievements, analyzing reasons for success and identifying emerging challenges to reach each goal, and offers policy recommendations to accelerate the effective implementation of MDGs, in line with the UN's Millennium Declaration and Viet Nam's Socio-economic Development Strategy.

The report is prepared on the basis of the reports made by the governmental agencies and some mass organizations such as Ministry of Planning and Investment; Ministry of Foreign Affairs; Ministry of Home Affairs; Ministry of Education and Training; Ministry of Health; Ministry of Labor, War Invalids and Social Affairs; Ministry of Culture and Information; Ministry of Natural Resources and Environment; Committee for Ethnic Minority; National Committee for Advancement of Vietnamese Women; Committee for Population, Family and Children; and the General Statistics Office. The report has also received contributions from many international and national organizations and experts. A number of workshops were organized to gather comments from international organizations in Hanoi, governmental agencies, central provinces and cities for the report. The consultations with the public were held in several provinces, in some mass social organizations.

The figures in this report were supplied by the General Statistics Office. The report also uses data provided by several international organizations and Vietnamese governmental agencies.

Through this report, Viet Nam would like to share its experience in with development activities and MDGs and VDGs. The message of the report is a strong confirmation of the Government's determination to continue its implementation of the Millennium Declaration and realize the MDGs by 2015 thanks to its own efforts and international support.

The Government of Viet Nam would like to extend its thanks to national and international experts and to UNDP for its financial and technical support to complete this report.

## **OVERVIEW OF IMPLEMENTATION OF THE MILLENNIUM DECLARATION AND MDGS IN VIET NAM**

### **1. IMPLEMENTATION OF COMMITMENTS IN THE MILLENNIUM DECLARATION**

#### **VIET NAM RESPECTS THE VALUES AND PRINCIPLES INCORPORATED IN THE UN MILLENNIUM DECLARATION, AND CONFIRMS ITS CONFIDENCE IN THE UN AND THE UN CHARTER**

Viet Nam respects principles of human dignity, equality and equal rights for all, and respects the basic human rights of freedom, regardless of races, gender, language or religions. Over the past decades, Viet Nam's policies have sought to ensure that basic principles of freedom and equality are realized, in which the creativity and talents of all are utilized, where people can work together to seek happiness and help to build the nation. The people have responded enthusiastically contributing to a democratic, equal and civilized society.

Special attention is given to the needs of the poor and vulnerable, such as the elderly and lonely, the disabled, war victims, poor and homeless children, etc. to provide them with support and protection. Viet Nam has established an Emergency Aid Fund to assist in the face of natural disasters and has re-planned residential zones, developed infrastructure to withstand the impact of disasters. Government has encouraged participation in development, enhancing the role of social organizations, and non-governmental organizations in developing the social welfare system.

The Convention on the Rights of the Child has been implemented through an extensive program to meet the needs of children.

Viet Nam actively promotes international cooperation to take advantage of bilateral and multilateral humanitarian aid, including from NGOs to develop the economy, social welfare, culture and meet humanitarian needs.

#### **Viet Nam Respects and Endorses the Establishment of Sustainable Peace and Justice throughout the World, in Line with the Purposes and Principles of the UN Charter.**

Viet Nam respects the sovereignty, territorial integrity and political independence of all countries, not interfering in other countries' internal affairs. Viet Nam endorses peaceful approaches to resolve conflicts in line with international law and justice. As a member of the Bangkok Agreement on the Southeast Asian Nuclear Weapon Free Zone (SEANWFZ), Viet Nam joins people of the world in fighting to eliminate nuclear, biological, and other modern weapons of mass-destruction, opposing war threats and arms races. Viet Nam requests that countries which possess nuclear weapons be committed to their responsibilities and obligations to build a peaceful world free of weapons of mass destruction. Viet Nam also supports the UN efforts in assisting countries to prevent conflicts, to maintain and reinforce peace and reconstruct countries after conflicts.

Viet Nam respects legal means of preserving peace and promoting, security and disarmament, creating favorable conditions to promote the socio-economic development, industrialization and modernization of the country, ensuring national independence and sovereignty, and actively contributes to the global battle for peace, national independence, democracy and social progress.

Viet Nam condemns terrorism and supports the fight against international terrorism. Viet Nam has actively pursued combat of the drug trade and the fight against cross-border crime, including trade in people and money laundering.

## **VIET NAM HAS FULFILLED ITS COMMITMENTS ON POVERTY REDUCTION AHEAD OF SCHEDULE**

The Government of Viet Nam has always considered poverty reduction and hunger eradication important goals. Efforts since the early 1990s have resulted in remarkable achievements. The number of the poor decreased from 40.4 millions in 1993 to 19.7 millions in 2004. Access to clean water greatly increased, infant and maternal mortality rates reduced, and malnutrition among children under 5 reduced, child care and HIV/AIDS and other disease programs implemented and urban slums cleared.

Viet Nam has achieved considerable progress in gender equality. The position of women has improved in education and training, employment and leadership.

Viet Nam has built up a strong partnership with the private sector and civil society organizations to strengthen the implementation of poverty reduction goals.

### **Viet Nam's Development Strategy is based on the Sustainable Development Principles of Agenda 21**

Viet Nam's Agenda 21 supported the objectives of "fast, effective and sustainable development, economic growth along with progressive implementation, social justice and environmental protection". The aim is to meet current needs, without undermining the meeting of the needs of the future generations. Utilization of natural resources and the environment should reflect the sustainability principle. Renewable natural resources should be used in the way that they could be renewed not only in quantity but also in quality. Non-renewable resources should be used in the most prudent manner.

## **VIET NAM HAS COMMITTED ITSELF TO THE PRINCIPLE OF GRASS- ROOTS DEMOCRACY AND MOBILIZED THE CREATIVITY OF THE COMMUNITY, IN THE CAUSE OF NATIONAL CONSTRUCTION AND DEVELOPMENT**

The motto of grass-roots democracy is "people know, people discuss, people do, and people supervise". Specific rules direct the People's Councils and People's Committees at the commune level to inform the people in a timely manner, set out the issues to be decided by the people and those that should be discussed by the people before final decision by the Government; set out the activities to be reviewed and supervised by the people; and set out arrangements to implement the rules.

All communes have part-time officers responsible for poverty reduction and hunger eradication. At the provincial, district and commune levels financial transparency is being promoted. Most communes have books available on laws and rights. As a result, procedures for appeal and complaint about administration are increasingly utilized.

Grass-roots democracy provides a strong incentive for people to mobilize in support of socio-economic development, improvement of living conditions and reduction in poverty.

## **VIET NAM BASES ITS FOREIGN POLICY ON THE PRINCIPLES OF INDEPENDENCE, AUTONOMY, OPENNESS, MULTILATERALISM AND DIVERSIFIED INTERNATIONAL RELATIONS**

Viet Nam seeks to be a trusted partner with the international community, respect independence, sovereignty, territorial integrity and each nation's right to choose its own path of development and supports the fight for equality and democracy. Viet Nam aims to expand foreign trade relations and share its poverty reduction experience with the least developed countries particularly African countries, giving assistance within its capacity to develop such areas as agricultural development, health care, training and education, etc.

## **SUPPORT FOR THE SPECIAL NEEDS OF AFRICA**

Viet Nam wishes to help promote Africa's stability and development, and to encourage support from the international community to overcome recent social and economic difficulties. In the short term, developed countries should continue to provide debt relief and support poverty reduction strategies to help achieve the MDGs, create favorable conditions for African exports, and increase ODA, FDI and technology transfers.

Viet Nam has initiated multi-lateral cooperation programs with Africa. The high level summit between Viet Nam and Africa held in Hanoi, 2003 focused on economic cooperation and developing mutual assistance. In addition, with support of organizations such as FAO and UNDP, Viet Nam is implementing the "three-partner cooperation model" (i.e. Viet Nam-International organizations-African countries) transferring technology in sectors such as food production, aquaculture, health care, education, in which Viet Nam has relevant successful experience. This model has achieved initial satisfactory results. Viet Nam believes that there are possibilities to expand such activities and therefore urges other countries and organizations to support this model in Africa.

### **VIET NAM SUPPORTS EFFORTS TO INCREASE UN EFFECTIVENESS**

The international community should continue joint efforts to reinforce the UN, making it a more effective tool to further the worthy objectives of peace, security and development of all nations, and respect for international law and national sovereignty.

The UN has a responsibility to support development, combat poverty, illiteracy, disease and injustice; oppose violence, terrorism and crime; and prevent deterioration of and damage to the environment; aiming to ensure sustainable development.

Viet Nam participates in the effort to implement comprehensive reform of the UN Security Council, including permanent and non-permanent positions, and to make the UN more democratic, transparent and representative. Reform of UN agencies will support the implementation of the Millennium Declaration and the MDGs. Viet Nam supports efforts to:

- Strengthen the central role and operation of the UN General Assembly, the Economic and Social Council (ECOSOC) and UN development agencies;
- Develop cooperation between the UN and national parliaments through the International Parliamentary Union, on issues, such as peace, security, economic and social development, international law and related issues;
- Ensure coordination between the UN, UN agencies, organizations of the Bretton Woods system and the World Trade Organization (WTO);
- Enhance financial support for the UN from member states, especially from developed countries; and,
- Improve the UN Secretariat's use of resources in accordance with regulations and procedures approved by the General Assembly, and for the common benefit of the world community, especially for development assistance to low incomes countries.

## **2. IMPLEMENTATION RESULTS OF THE MILLENNIUM DEVELOPMENT GOALS (MDGS)**

In the first 5 years (2001-2005) of the 10-year Socio-economic Development Strategy 2001-2010 some of the important achievements were:

### **POVERTY REDUCTION**

Viet Nam has been highly successful in reducing poverty and alleviating hunger. Applying the international poverty line, (including both food and non-food poverty) the proportion of poor

households in Viet Nam has decreased dramatically, from 58,1% in 1993 to 24,1% in 2004, reducing the number of poor households by nearly 60% in more than a decade.

The proportion of poor households decreased in all regions in the country, though at different rates. The most rapid reduction was in the North East, from 81.5% in 1993 to 31.7% in 2004; and the slowest was in the North West, from 81% to 54.4%.

Poverty reduction strategies have been modified reflecting the CPRGS to increase access of the poor to basic social services. Educational campaigns have been undertaken to raise awareness. Job creation and increases in income have improved household welfare. International cooperation in poverty reduction and employment creation has been promoted. Staff for poor communes has been trained; provincial and district staff and young graduates have also been sent to help the poor communes.

## **UNIVERSAL EDUCATION**

Viet Nam can claim remarkable achievements in education and training, in relation to per capita income level. By 2000, Viet Nam virtually achieved universal primary education. Primary school enrolment increased from about 90% of the primary school age group in the 1990s to 94.4% in the 2003-2004 school years. Secondary school enrolment was 76.9%

There have been other positive changes. Repetition of classes and drops out has been reduced at all the class levels. Teaching in the languages of ethnic minorities has been strengthened, with 8 minority languages being taught resulting in a substantial reduction in illiteracy among ethnic minorities

## **GENDER EQUALITY AND WOMAN STATUS**

Viet Nam has achieved notable results in promoting gender equality. Women account for about 51% of the total population and 48.2% of the labor force, playing an important role in public life and in national development. The gender indicator (GDI) increased from 0.668 in 1998 to 0.689 in 2004 among the best performances in the region.

The ratio of literate women to men between the ages of 15 and 24 was 0.99 in 2002. There is only a very small difference between the number of boys and girls at all school levels.

The proportion female representatives in the National Assembly are over 27%, among the highest in Asia.

### **Child Health Care**

Child health conditions have improved dramatically. The child mortality rate fell dramatically in 1990, the under-five mortality rate was 58‰, and the under-one mortality rate was 44‰. In 2004, these rates were 31.4‰ and 18‰, respectively.

Important activities have included the expanded vaccination program, malnutrition prevention program, diarrhea prevention program, bacterial contaminated respiratory prevention program, integrated ill children health care program, all of which have proved to be highly efficient. The rate of children getting vaccinated with all the 6 types of vaccines was high in 2003 (96.7%), relatively high in the region.

## **WOMEN'S REPRODUCTIVE HEALTH**

Women's health during pregnancy and birth giving has been significantly improved. The maternal mortality rate was reduced from 1.2‰ in the period 1989-1994 to 0.85‰ in 2004. The proportion of birth deliveries being taken care of by medical workers is around 95%; while in the urban and delta areas it is 98%.

## **PREVENTION AND CONTROL OF HIV/AIDS, MALARIA AND OTHER DISEASES**

The Government of Viet Nam has issued the National Strategy for HIV/AIDS prevention and established National Committee and provincial Steering Committees on HIV/AIDS Prevention, as well as the Department of Preventive Medicine and HIV/AIDS Prevention under the Ministry of

Health. At present, there are 41 testing labs in 34 provinces/cities to detect and monitor people affected with HIV/AIDS. Most of the provinces/cities have medical wards to treat people affected with HIV/AIDS.

The approach to HIV/AIDS prevention and control has evolved. The approach adopted involves prevention and control without stigmatizing and marginalizing people affected with HIV/AIDS, helping them to have a useful life and integrate into the community. This approach has brought encouraging results.

Malaria is under effective control. The proportion of malaria cases per 100,000 people was reduced from 900 in 1995 to less than 200 in 2004.

Since 1995 the TB prevention program has been a priority program. By 1999, the DOTS strategy covered all districts. In the period 1997-2002 261 thousand patients with pulmonary tuberculosis AFB (+) were treated and 92% of them were cured.

### **Environmental Sustainability**

Viet Nam's Agenda 21 integrates sustainable development principles into policies and national programs.

There have been some successes. The proportion of people with access to clean water increased from 26.2% in 1993 to 70% in 2004. In the rural area, the proportion increased from 18% in 1993 to 58% in 2004. The goal of doubling rural water supply coverage as specified in the MDGs was achieved in only 10 years.

Forest coverage was increased from 27% in 1990 to 37% in 2004, although there was uncontrolled burning and cutting of tens of thousands of hectares of forests during that same period.

Natural preservation and biodiversity protection have progressed. Natural reserves have been expanded in number and area, with 126 natural reserves of which 28 are national parks.

## **GLOBAL PARTNERSHIP FOR DEVELOPMENT**

Global partnership for development is implemented through an "open door policy" which actively promotes integration into the region and the world in the spirit of *"making friends with all countries in the international community, striving for peace, independence and development"*.

As of today, Viet Nam has signed more than 80 bilateral trade and investment agreements and established economic cooperation relations with over 170 countries and territorial areas.

Viet Nam is reforming its economic institutions, and legal and regulatory systems to be more consistent with international practice. Trade policies are becoming more transparent. In 2005, Viet Nam will adopt a law on investment to create an attractive environment and to treat domestic and foreign investors on an equitable basis. To expedite the process of ascension to the World Trade Organization (WTO) in negotiations, commitments are being made to follow WTO basic principles when Viet Nam becomes a member.

Viet Nam is also managing debt and repayment issues on a sustainable basis, with international assistance and consultation.

### **3. The Implementation Results of Vietnam's Development Goals (VDGs):**

#### **Economic growth**

The economic growth rate has been continuously increasing; in 15 years from 1990 to 2004, the GDP has been increased by 7.5% per year on the average, in which industries grew at 11% per year; agriculture has maintained its average annual growth rate of 4% in spite of many difficulties in terms of climate, weather, etc.; the value of services has been grown up by about 7% a year on the average; export has been increased quickly, with the export value increased by 16.2% per year.

The investment capital has been developed quite fast, equivalence to 38% of GDP as of 2004. The economic structure has been positively moved to take the comparative advantage of each sector, each region and each line of products. The national economy is being developed with contributions from and based on the combination of different forms of ownership and economic sectors.

### **Job creation**

In the 4 years 2001-2004, about 5.9 million people have got jobs, in which most of them have been created in agriculture, forestry and fisheries sectors. Most of these jobs were created through socio-economic development programs and by the private sector.

The unemployment rate in the urban areas has experienced a decreasing trend, from 6.4% in 2000 to 5.6% in 2004, while the rate of working time used in the rural areas has accordingly increased from 74.2% to 78.3%.

### **Provision of essential infrastructure and basic services for extremely disadvantaged communes**

Since 1998 the Government of Viet Nam has been adopting special socio-economic development programs for 2,347 poor communes all over the country, of which 1,919 communes were considered extremely disadvantaged (they are located in mountainous areas, border line, and remoted and isolated regions). By 2004, 97% of the extremely disadvantaged communes had had car-accessible roads connecting to the communal centers; 100% of them had health clinics; 90% had primary schools and kindergartens; 80% had secondary schools based in concrete buildings; 36% had communal and inter-communal markets; nearly 70% had cultural-functioned post offices; over 70% had telephone access; 90% had radio services; and 65% had domestic water supply facilities, of which 50% of households could use clean water for domestic purposes.

### **Improve living standard, preserve and maintain the ethnic minority cultures**

The rate of ethnic minority people taking positions in the agencies elected by the public and in the authorities of different levels is becoming higher nowadays. Up to 17.27% of current representatives in the National Assembly are of ethnic minority origin. 30 minorities in Viet Nam have had their own script. Languages of the ethnic minorities are being taught in 25 provinces/cities. In the school year 2004-2005, Viet Nam had nearly 500 schools, from primary to tertiary education level, and nearly 100,000 pupils and more than 2,200 teachers teaching and learning ethnic languages.

### **Reduce vulnerability**

In 2004, 88% of the poor people were granted free medical examination/treatment cards and health insurance. Every year, more than 3 million of poor pupils and ethnic minority people are exempted from tuition and other fees for school development. Poor households can access quite easily to preferential loans from the Social Policy Bank, which is a state-owned credit organization. With the decision on supporting production land to the ethnic minority households, by June 2003, there had been 10.5 thousand households receiving totally 5.1 thousand ha of land as a support.

## **4. Recommendations of Viet Nam**

1. Viet Nam suggests that the UN, with its role, should take specific and effective measures to establish the order and equality for the global trade. Developed industrialized countries should expand their import markets for agricultural products, food and other consumables from the least developed and developing countries, and at the same time, minimizing their technical and commercial barriers.

Viet Nam expects that in the context of economic integration and globalization, the poor and least develop countries will have to face many challenges caused by pressure of a huge competition, while technical and commercial barriers are very severe, causing disadvantages to agricultural and preliminarily processed products of rather high production costs of these countries.

2. Developed countries should strengthen comprehensive and bilateral cooperation with the least developed and developing countries, in order to support them in techniques, capital and technologies, so that these countries can restructure their economies in the context of globalization and avoid themselves from losses and disadvantages. Developed countries should also promote the poor countries to take part in international allocation and cooperation in production activities, labor use and employment, education and training, health care and social aspects, etc. to implement the MDGs.

In the coming time, globalization and international economic integration will cause extensive impacts to re-structuring the world's economy within the capability of each national economy to perceive new technologies, and opening great potentials to participate in the global labor allocation, which is helpful to promote the development of national economies.

Developed countries, international financial organizations, the UN's agencies and donors should increase ODA funds for the least developed and developing countries, to meet special demands of the poor countries aiming to implement the MDGs for the purpose of development. At the same time, they should reduce on a gradual basis their loan conditions, and re-schedule or cancel loans for countries, especially African countries, which have been facing many difficulties to repay.

## PART ONE: ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS

### GOAL 1:

#### ERADICATE EXTREME POVERTY AND HUNGER

The Government of Viet Nam has always been committed to pro-poor economic growth and poverty reduction as one of its top priorities. As a result, poverty reduction has been one of the most significant achievements of social development of Viet Nam since the 1990s.

#### I. Progress and sources of achievement

##### Poverty rate has been reduced dramatically

The poverty rate in Viet Nam, measured by international standard<sup>1</sup>, fell from 58.1% in 1993 to 24.1% in 2004 with nearly 60% of poor households moving out of poverty.

However, the pace of poverty reduction slowed down during the 1998-2004 period with an annual average of 2.4 percentage points reduction in the number of poor for the last 2 years (Table 1.1).

Thus Viet Nam has successfully achieved the goal of halving the proportion of the poor and hunger well ahead of the 2015 target.

Table 1.1: Poverty rates in Viet Nam 1993-2004 (%)

	1993	1998	2002	2004
<b>Poverty Line</b>	<b>58.1</b>	<b>37.4</b>	<b>28.9</b>	<b>24.1</b>
Urban	25.1	9.2	6.6	10.8
Rural	66.4	45.5	35.6	27.5
<b>Food poverty Line</b>	<b>24.9</b>	<b>15.0</b>	<b>10.9</b>	<b>7.8</b>
Urban	7.9	2.5	1.9	3.5
Rural	29.1	18.6	13.6	8.9

Source: Viet Nam Development Report 2003 and GSO 2005.

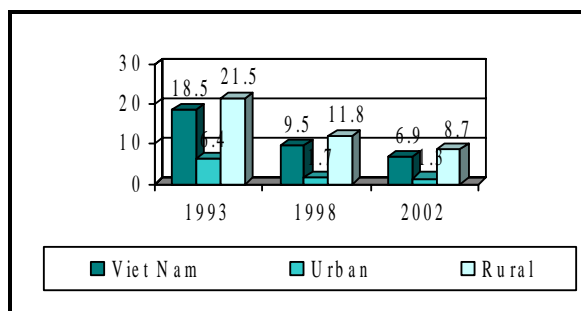
#### POVERTY DISPARITIES

The data on poverty gaps<sup>2</sup> show that extreme poverty fallen but the pace of decline has slowed down - from 18.5% in 1993 to 9.5% in 1998 and 6.9% in 2002 (Chart 1.1).

Chart 1.1: Poverty gaps during 1993-2002

<sup>1</sup> The poverty line includes essential food expenditure for standard human energy intake of 2,100 Calories per capita per day and non-food expenditure equivalent to 2/3 of food expenditure.

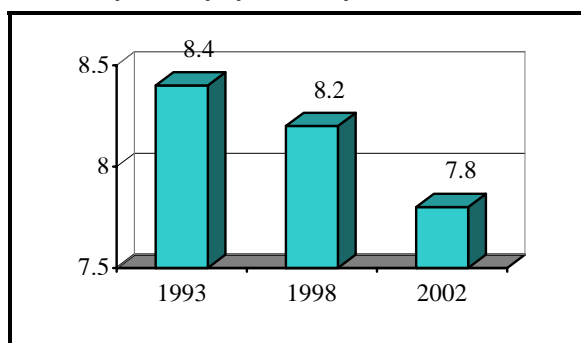
<sup>2</sup> Poverty gaps reflect the average distance between the expenditures of the poor and the poverty line, as a percentage of the latter



Source: Viet Nam Development Report 2003 and GSO.

Actual household expenditure at constant prices during the period of 2003-2004 increased by 12.1%, higher than that of 7.4% during 1993-1998, and 4% during 1998-2002. Though expenditure of the whole population and the poor have continued to rise in the period of 2003-2004, income disparity and poverty gaps have also continued to grow.

**Chart 1.2: Share of expenditure of the poorest population quintile in total national expenditure (%)**



Source: Viet Nam Development Report 2003 and GSO 2005.

Chart 1.2 shows that the share of spending of the 20% poorest population in total national expenditure has continued to decline. The share fell by 0.2 percentage point during the period of 1993-1998, and declined by a further 0.4 percentage point during the following 4 years. The preliminary data of 2004 indicate that this negative trend is continuing.

## 2. SOURCES OF ACHIEVEMENTS

### *High and Stable Economic Growth Created Favorable Conditions for Poverty Reduction*

Comprehensive economic reforms have helped Viet Nam to gradually escape from its economic difficulties, strengthen its competitiveness and integrate into the global economy. From the 1990s, Viet Nam has recorded impressive economic growth – average annual GDP growth of 7.5% during 1994-2004; the structure of Viet Nam's economy has been shifted towards industry with the share of agriculture in GDP falling to 21.7% from 38% over the reform period (1986-2004), the share of industry and construction increasing to 40.1% from 28.9% and the share of services to 38.2% from 33%, respectively.

Investment has increased, particularly from domestic sources, with gross investment rising to 38% of GDP in 2004. In the period of 2001-2004 investment has increased by 14% annually, of which the state sector increased by 13.4%, the non-state sector by 18.5% and the foreign-invested sector by 9.9%.

As a result of high levels of investment and economic growth employment opportunities have grown. In the past 5 years, on average, 1.5 million more people have been employed each year. Viet Nam has also exported labor-export, which has contributed to poverty reduction.

*Poverty Reduction is a Top Priority Implemented through the Comprehensive Poverty Reduction and Growth Strategy (CPRGS) and National Targeted Programs*

In addition to the effects of national economic growth, the government has sought to alleviate poverty through targeted programs. From 1992, poverty reduction activities were implemented through the National Targeted Program on Hunger Eradication and Poverty Reduction (HEPR) which was merged with the Job Creation Program in 2001 to become the Hunger Eradication and Poverty Reduction and Job Creation Program (HEPRJC). The program provided small loans to household projects which created employment opportunities for hundreds of thousands of people (estimated to have accounted for 22% of total employment growth).

A program targeting 2,374 most difficult communes in mountainous and remote areas was implemented from 1999 to improve conditions for ethnic minorities, providing opportunities to escape from poverty and to integrate into overall national development. The program concentrated on building basic infrastructure (electricity, rural roads, school and health facilities, small-scale irrigation projects and market places) for the poor communes. In addition, the program provided support to agricultural and forestry extension. Following the slogan “the government and people working together” this program managed to mobilize investment from individuals and private businesses to supplement capital government provided to this program. Other support programs for difficult regions targeted the Central Highlands Provinces, six extremely poor provinces in the Northern Mountainous Region, and poor provinces in the Mekong Delta.

The government policy was to link poverty reduction objectives with broader socio-economic development programs to generate sustainable development and poverty reduction.

The government also carried out social protection policies for the poor such as free medical examination and treatment, support to education of children from poor households, support to improve housing conditions and access to clean water.

### **3. CHALLENGES**

#### **UNSTABLE POVERTY REDUCTION ACHIEVEMENTS**

Viet Nam is still a poor country with living standards much lower than many other countries in the South-east Asian Region (average per capita income of Viet Nam was only 560 USD in 2004).

There are a large number of households with average per capita income just above the poverty line. These households are vulnerable to external shocks such as diseases, bad harvests, investment losses, fluctuations in agricultural price, natural disaster, loss of employment etc. It is estimated that about 5-10% of the Viet Name's population falls into this category.

#### **HIGH POVERTY INCIDENCE IN RURAL, MOUNTAINOUS AND MIDLAND AREAS**

Poverty reduction progressed unevenly between regions, especially between urban and rural areas. Since 1993 although the poverty gap between the poorest region (North West) and the richest region of Viet Nam (South East) has narrowed, mountainous and midland areas including the North West, North East, North Central and Central Highlands are still among the poorest areas in Viet Nam. Most poor people (about 90% of total poor people) now live in rural areas. However, although the mountainous areas are the poorest regions, the North Central, Red River Delta and Mekong Delta areas still have the greatest number of poor people.

**Table 1.2: Poverty rates by regions 1993-2004 (%)**

	1992-1993	1997-1998	2001-2002	2003-2004
North East	86.1	65.2	38.0	31.7
North West	81.0	73.4	68.7	54.4
Red River Delta	62.7	34.2	22.6	21.1
North Central	74.5	52.3	44.4	41.4

South Central Coast	47.2	41.8	25.2	21.3
Central Highlands	70.0	52.4	51.8	32.7
South East	37.0	13.1	10.7	6.7
Mekong Delta	47.1	41.9	23.2	19.5
<b>The Whole country</b>	<b>58.1</b>	<b>37.4</b>	<b>28.9</b>	<b>24.1</b>

Source: Viet Nam Development Report 2003 and GSO 2005.

## SIGNIFICANT POVERTY DISPARITIES BETWEEN ETHNIC GROUPS

Though the Government implemented a number of policies targeting the ethnic minority poor, poverty incidence of ethnic minorities remained the highest and pace of poverty reduction slowest (Chart 1.4). During 1993-2002, ethnic minority groups achieved only 17.1 percentage points poverty reduction while the figure of the Kinh (the majority ethnic group) was 30.8 percentage points. In 2002, the poverty rate for ethnic minorities was three times higher than for the Kinh, while it was just 1.6 times in 1993. The poorest areas (Northern Mountains, North-Central, Central Highlands) are the areas where most ethnic minority people live. They are in danger of lagging behind national development.

**Table 1.3: Poverty rates by ethnicity 1993-2002 (%)**

	1993	1998	2002
<b>Poverty Rates</b>	<b>58.1</b>	<b>37.4</b>	<b>28.9</b>
Kinh	53.9	31.1	23.1
Other ethnic minorities	86.4	75.2	69.3
<b>Food poverty</b>	<b>24.9</b>	<b>15.0</b>	<b>9.9</b>
Kinh	20.8	10.6	6.5
Other ethnic minorities	52.0	41.8	41.5
<b>Poverty Gap</b>	<b>18.5</b>	<b>9.5</b>	<b>6.9</b>
Kinh	16.0	7.1	4.7
Other ethnic minorities	34.7	24.2	22.1

Source: Viet Nam Development Report 2003 and GSO 2005.

## WIDENING GAPS BETWEEN THE RICH AND THE POOR

Poverty disparities between regions and population groups have increased especially between urban and rural areas, between mountainous and plain areas (Table 1.4).

The difference in expenditure between urban a rural areas in 1993 was 1.8 times increasing to almost 2.4 times in 2002. Average per capita expenditure difference between the richest and the poorest regions rose from 1.9 times in 1992-1993 to almost 2.4 times in 2001-2002.

**Table 1.4: Annual per capita expenditure 1993-2002 (Unit: times)**

	1992-1993	1997-1998	2001-2002
Urban/rural	1.81	2.23	2.38
Richest/poorest quintile	4.58	5.49	6.15
King group/ethnic minorities	1.64	1.95	2.09
Female/male	1.21	1.29	1.41
Richest/poorest region	1.91	2.60	2.35

Source: VLSS, VHLSS, GSO 2005

The GINI index – an indicator reflecting the inequality in income distribution - shows a rising trend (Table 1.5) with per capita income and expenditure of the poor growing, but not as fast as for the richer groups. During the period 1998-2002, expenditure of the poorest quintile rose only by 8.9% while the figure of the richest quintile was 22.1%.

**Table 1.5: The GINI coefficient by expenditure in 1993-2002**

	1992- 1993	1997- 1998	2002
<b>Viet Nam</b>	<b>0.34</b>	<b>0.35</b>	<b>0.37</b>
<i><b>Urban/rural</b></i>			
Urban	0.35	0.34	0.35
Rural	0.28	0.27	0.28
<i><b>Regions</b></i>			
Red River Delta	0.32	0.32	0.36
Northern Mountains	0.25	0.26	0.34
North Central	0.25	0.29	0.30
South Central Coastal	0.36	0.33	0.33
Central Highlands	0.31	0.31	0.36
South East	0.36	0.36	0.38
Mekong River Delta	0.33	0.30	0.30

Source: Viet Nam Development Report 2003 and GSO.

## **LOW EFFICIENCY AND EFFECTIVENESS OF SUPPORT POLICIES FOR POOR HOUSEHOLDS AND REGIONS**

Some policies to support the poor focused too heavily on subsidization and were amended rather slowly. There was a strong dependency mentality among a part of poor population, poor households and poor communes.

The implementation of some policies was inadequate because of lack of understanding. Some poverty policies which were developed without proper consultation with relevant stakeholders did not reflect real needs and therefore their targeting was poor.

Some provinces did not use the central government budgets for poverty reduction effectively and efficiently.

A new challenge to poverty reduction in Viet Nam is the emergence of new poor partly as a result of agricultural land being transferred to other purposes. The affected (landless) farmers, who have no other skills than farming may have to migrate to urban areas. They are in a very difficult position in the job market and often have to accept unskilled employment with low pay. They have little access to basic service (education, health care), and face risks in terms of their health, employment insecurity and exposure to criminal activity. There is a high risk that this group will fall back into poverty.

## **IMPACT OF GLOBALIZATION**

Globalization, on the one hand, opens up international economic opportunities, and creates favorable conditions for economic development. On the other hand, globalization with the resulting inter-dependence between the economies brings about new risks (price fluctuations, financial crises, etc.). This is a big challenge to future poverty reduction of Viet Nam.

Trade liberalization creates favorable conditions (access to capital flows, modern equipment, new technology, expanding commodity markets, speeding up the reform of SOEs in the face of competition, etc.), but also negatively affects uncompetitive sectors/businesses.

Trade liberalization may increase employment and high income opportunities for a substantial group of the population working in competitive sectors (including agriculture, forestry, fishery, garment and textile etc.), but it also requires higher labor skills and qualifications, which, if not met, results in unemployment, wage reduction and unsafe working conditions for those groups. Cheap labor is no longer a comparative advantage. Providing access to the benefits of globalization for the majority of poor people in Viet Nam, with no or very low technical skills, living mainly in rural areas or involved in informal economic sectors, remains a challenge in the integration process.

## **4. MEASURES FOR FURTHER POVERTY REDUCTION**

### **ESTABLISHING A SUSTAINABLE GROWTH ENVIRONMENT FOR POVERTY REDUCTION**

There is a need to:

- Establish a fair and equal legal environment for the non-state sector to provide better access to land, credit and other necessary inputs so that they can contribute to economic growth, and increase income and employment opportunities;
- Continue the reform of state-owned enterprises with the sale, merger, dissolution and bankruptcy of loss-making businesses to significantly reduce their number;
- Concentrate SOE on such activities as large infrastructure construction and strategic areas that private businesses are either not interested in or not capable of developing;
- Create favorable conditions for strong the development of the private sector, creating an enabling environment for SMEs, especially those in remote, isolated and rural areas.

### **CONTINUE IMPROVING POLICIES ON POVERTY REDUCTION**

There is a need to:

- Upgrade National Targeted Programs on poverty reduction;
- Establish an information system for monitoring and evaluating the progress of poverty reduction targets at all levels;
- Provide stronger support for poor regions to raise their productivity and modernize their economic structure;
- Increase poverty reduction support credit, improve loan procedures and assistance to the poor in doing business;
- Gradually eliminate subsidies as a tool for poverty reduction by applying new support methods and mechanisms in line with market efficiency.
- Amend price subsidies and policies for the free provision of some commodities for mountain areas in order to reduce losses and to enhance policy impact;
- Subsidize interest on investments made from credit for the poor; expand the use of credit guaranteed by the Fund for Guaranteed Credit for SMEs.
- Revise and supplement social policies on access to medical treatment, education, housing, and preferential loans.

### **CLOSING POVERTY GAPS BY INCREASING INVESTMENT**

There is a need to focus poverty efforts on the most difficult areas (extremely difficult communes, former revolutionary bases, mountainous border areas, islands, remote and isolated, ethnic minority areas), increasing investment on infrastructure; and assisting poor communes to develop production and services.

## **EFFECTIVE IMPLEMENTATION OF SOCIAL PROTECTION POLICIES FOR DISADVANTAGED AND VULNERABLE GROUPS**

Attention will be focused on:

- Implementing social protection policies for natural disaster prevention and mitigation of risks;
- Completion of social safety nets to meet the urgent needs of these disadvantaged and vulnerable groups to prevent them from falling back into poverty;
- Ensuring vulnerable groups access to basic public services, particularly education and health care, by expanding the number of users and the use of health insurance cards, implementing policies to reduce or waive tuition fees for poor students; and,
- Increasing investment in capacity building for local cadres in rural, remote and isolated areas.

## **STRENGTHENING THE SOCIAL BASIS FOR POVERTY REDUCTION**

This will be achieved by promoting grass-roots democracy, informing fully the public about poverty reduction activities; and encouraging people to take part in and monitor its implementation. Efforts will be made to enhance accountability and increase the responsibility of local governments at all levels. Careful efforts are required for improving management of resources allocated to poverty reduction.

## **GOAL 2: UNIVERSAL PRIMARY EDUCATION**

### **1. ACHIEVEMENTS**

#### **NET ENROLMENT RATES**

The net enrolment rate (primary school age group) had already reached 90% in the early 1990s, from which level it has risen slowly. During the 2003-2004 school year, the net primary enrolment rate was 94.4%<sup>3</sup>. If the annual growth of 0.5 per cent is maintained for the next ten years, Viet Nam will achieve the MDG of universal primary education, and will have eliminated inequality in primary education, so that all boys and girls will be receiving primary education by 2015.

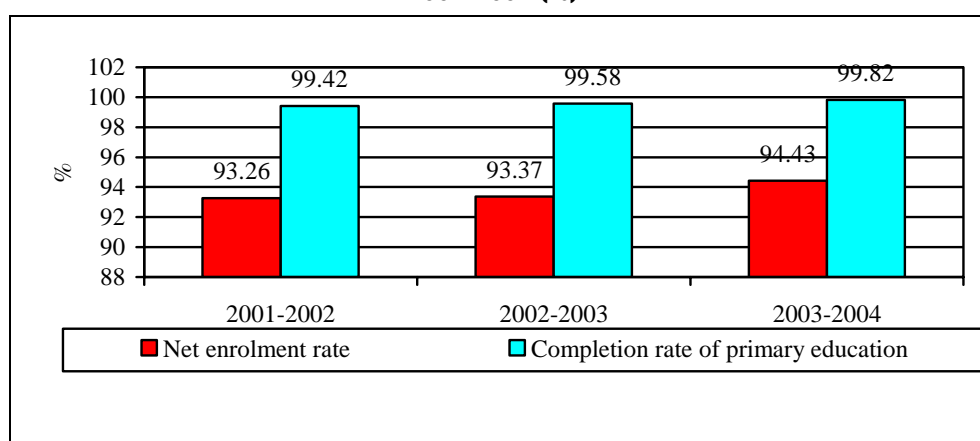
#### **NET ENROLMENT RATE, FROM FIRST TO FIFTH GRADES**

Completion rate of primary education (from first to fifth grades) rose to 99.82% in the 2003-2004 school year. The biggest rise was in the Central Highlands, while completion rate of primary education fell in the North West and South Central Coast provinces. The Red River Delta continues to have the highest enrolment rate for first to fifth grades.

#### **LITERACY RATE FOR CHILDREN AND ADULTS AGED 15-24**

In the year 2002, the literacy rate for adults aged 15-24 reached 94.5%. The average school year increased gradually, reaching 7.3 years in the year 2003.

**Chart 2.1: Net enrolment rate and completion rate of primary education  
2001-2004 (%)**



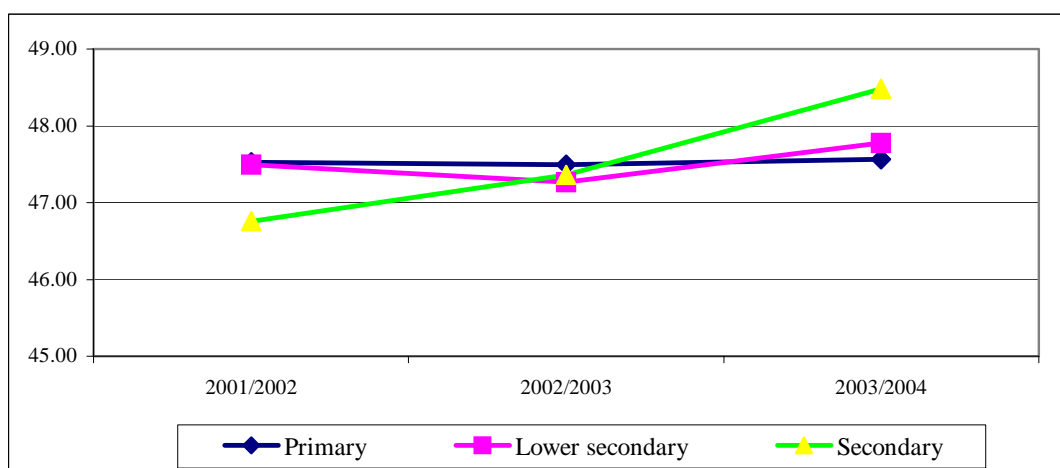
Source: GSO, 2005

In general, primary education has been extended with remarkable success to all regions of the country. In the beginning of the 2001-2002 school years, the lowest universal primary education rate was over 90%.

The enrolment rate for girls at all levels has risen generally in the period from 2001 to 2004 and does not differ between regions.

**Chart 2.2: Enrolment rate for female students at all levels**

<sup>3</sup> Data from the Ministry of Training and Education



Source:

Ministry of Education and Training

## REASONS FOR SUCCESS

Education has been a high national priority reflected in policies to foster education, strengthen the quality of teaching. Targets for education and training development can be found in the Development Strategy for Training and Education, 2001-2010; National Action Plan of Education for All, 2003-2015; National Targeted Program on Education and Training, 2001-2010; the Five Year and annual Socio-Economic Development Plans; and the National Assembly resolutions on reforming textbooks and universal lower secondary education.

More public resources have been allocated to training and education. Budget allocation for training and education in general and primary education in particular, have increased continuously. Training and education expenditure reached 15% of total state budget in the year 2000, 17.4% in the year 2004, and is estimated to reach 20% in the year 2010. Education expenditure for universal education (primary and lower secondary) reached 52.6% of total educational expenditure.

ODA projects in education and training concentrated mainly on basic education (primary, lower secondary and upper secondary school).

The decrease in proportion of poor households also means more children have access to education services.

Policies have been implemented to assure equal access to education, especially for ethnic children and children living in disadvantageous socio-economic conditions, giving priority to disadvantaged regions through special programs. The Ministry of Education and Training has experimented with primary school models appropriate to the economic conditions of the difficult regions. The Government also issued "education state bonds" to assist mountainous provinces, the Central Highlands and other poor provinces to eliminate three-shift school and replace temporary classrooms in the year 2005.

## 2. CHALLENGES

### EDUCATION IN REMOTE AREAS IS DIFFICULT

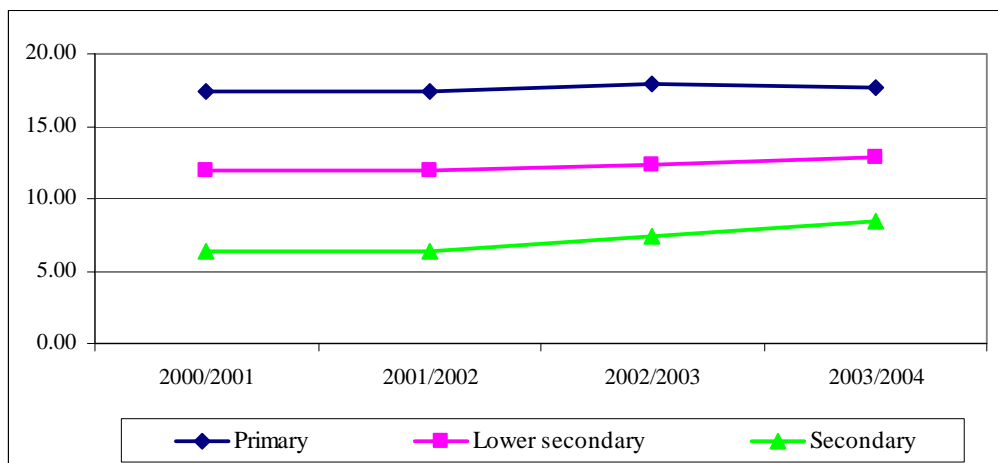
A gap remains between mountainous regions and the deltas, and between rural and urban in access to education. In mountainous regions, although the school network has been expanded and school enrolment has increased, the net school enrolment rate is still too low. The number of repeaters and drop-outs is high and the quality of education is lower than that of the delta and other regions with more favorable economic conditions.

In 2001 about 10 per cent of children between the age of 6 and 14 living in remote areas were not able to go to school. For children in these regions, the completion rate as well as other indicators remain low.

Ethnic minorities are about 20% of the total population, but have a significantly lower representation in school enrolment, particularly at the upper levels of school.

For ethnic minority children, language as they start school is a special challenge.

**Chart 2.3: School enrolment rate of ethnic minority children (%)**



Source: Ministry of Education and Training 2004

Gender inequality in education and training still exists, especially among ethnic girls and at higher levels of education.

Expenses for basic education are still too high for children of poor families. Educational fee exemption policies are not adequate or consistent enough to ensure basic education with good quality for all.

## QUALITY ISSUES

The quality of teaching and education is limited, due to ineffective methodology. Class hours are too few compared to international standards, training materials, physical facilities and textbooks are inadequate, especially in remote regions.

Teachers are too few and often of poor quality, due to poor working conditions, unsuitable and insufficient teacher training, teachers' ability varies between areas and regions.

Education managers are not sufficiently and suitably trained in order to carry out new tasks of making and implementing education plans.

## LIMITED RESOURCES FOR TRAINING AND EDUCATION

Resources for training and education are limited in scale and quality to implement full-day training and universal primary education. Many schools are poorly built and offer primitive facilities.

## 3. MEASURES

The steps required to achieve target are summarized as follows:

- Continue to give priority to education, deepening investment in the infrastructure of primary education, and assisting mountainous and remote regions.
- Improve basic educational quality by changing the teaching curriculum to a pupil-focused approach, and increasing school hours particularly for ethnic minority children and children from poor households.
- Try to reduce dropouts to avoid increasing illiteracy rates.
- Upgrade the quality of teachers through a comprehensive adjustment of teaching conditions and training programs;

- Renovate and improve learning facilities and materials;
- Strengthen management capacity;
- Intensify supervision and inspection;
- Encourage community support for education to cover the gap between supply and for resources for education.

## GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Viet Nam has achieved significant success in promoting gender equality and in empowering women. Gender disparities in areas such as education and employment have been reduced and participation of women in leadership and management increased. 51% of the population of Viet Nam is women, accounting for 48.2% of total labor force. They make a strategic contribution to the socio-economic development of the country.

Viet Nam has achieved a Gender Development Index (GDI), grade placing it 87 out of 144 countries measured<sup>4</sup>. The GDI increased from 0.668 in 1998 to 0.687 in 2003 and 0.689 in 2004.

### 1. ACHIEVEMENTS

#### GENDER EQUALITY IN EDUCATION

Gender equality is a priority goal for education system, with a number of specific policies to promote the education of women and girls.

Viet Nam has substantially achieved gender equality in primary education. In 2002 the literacy rate of over 10 year old population was 92%, of which the rate for women was 89.3% and for men 95%. The ratio of literate females to males in the 15-24 year old group was 0.99<sup>5</sup>.

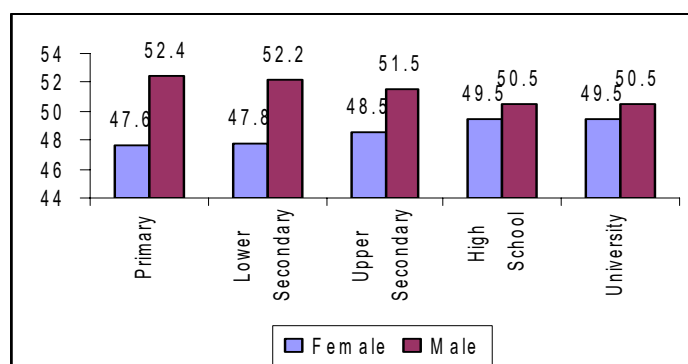
**Table 3.1: Ratio of female students at various educational levels (%)**

	1996-1997	1997-1998	2001-2002	2003-2004
Primary Education	48	47.7	47.52	47.6
Lower Secondary Education	46.8	47	47.5	47.8
Upper Secondary Education	45.5	46.4	46.7	48.5
High School	51.5	51.9	50.86	48.8
University	38.1	39.1	44.27	49.5

Source: Ministry of Education and Training 2004

Disparities between enrolment of boys and girls have been reduced at all educational levels (Chart 3.1). Basically, the goal of gender equality in education should be achieved by 2015.

**Chart 3.1 Proportions of female and male students at each educational level 2003-2004 (%)**



Source: Ministry of Education and Training 2004.

<sup>4</sup> UNDP: *Human Development Report 2004*.

<sup>5</sup> GSO and the National Committee for Advancement of Vietnamese Women (NCFW)

In addition to formal schooling, there are 4 types of informal education, mainly for adults including women – a special program on illiteracy elimination and continuing education; a program on education based on students' requirements; a program on supplementary education, periodical training, on-the-job training; and open universities. This has increased opportunities for women's education and training.

In the school year 2003-2004, 100% of teachers in pre-schools were women; female teachers made up 78.3% of teachers in primary education; 68.2% in lower secondary education; 56.1% in upper secondary education; 65.6% in technical high schools; and 40.5% in colleges and universities.

However, in the education sector there are still very few women in managerial positions, these making little use of women's potential. In education, there is only one female vice-minister (20%); two directors general (12.5%); five deputy directors general (16.6%); 11 directors of Provincial Departments of Education (17%) and 47 vice-directors (27.2%). The high proportion of female teachers at lower educational levels partly reflects the traditional perception that women should pay much attention to family than to careers. Female teachers in remote and isolated areas face many difficulties, including living and teaching far from home for long periods and lacking opportunities for promotion.

## **PROMOTING WOMEN TO LEADERSHIP AND MANAGERIAL POSITIONS**

More female deputies have been elected to local People's Councils at all three levels for the 2004-2009 terms than previously. These include 23.8% female representation at provincial level, 23.2% at district level and 20.1% at commune level. The province with highest rates of women deputies (around 33.3%) is Tuyen Quang, a poor and mountainous province inhabited by 22 ethnic minority groups. This case shows that economic conditions are not the decisive factor in enhancing women's role in leadership and management, but rather the political awareness and interest of local leaders, as well of line departments in promoting women's advancement, particularly in their planning and training.

Aiming to increase the representation of women in People's Councils at all levels of 2004-2009 term, the NCFW and Viet Nam Women's Union (VWU) were active at all levels. They were supported by international organizations in conducting a number of parallel activities.

Firstly, NCFW and VWU disseminated widely the government policy stipulating that not less than 25% of People's Councils' deputies should be women,

Secondly, NCFW carried out a campaign using various media such as brochures, posters, radio, television and newspapers to educate the public on the government policy on promoting women's representation in the People's Councils, and at the same time to encouraging outstanding women to stand for office in order to win the voters' favor and support. Women's Union organizations at all levels introduced the best female candidates to the public.

Thirdly, NCFW cooperated with relevant organizations in organizing training courses on leadership skills and gender knowledge for 1,530 first-time candidates in 17 provinces that had the lowest women's representation in People's Councils. At the same time NCFW, through its vertical structure, requested authorities in other provinces to conduct similar training for their respective women candidates. As a result, there were 17,290 women candidates trained prior to the election day.

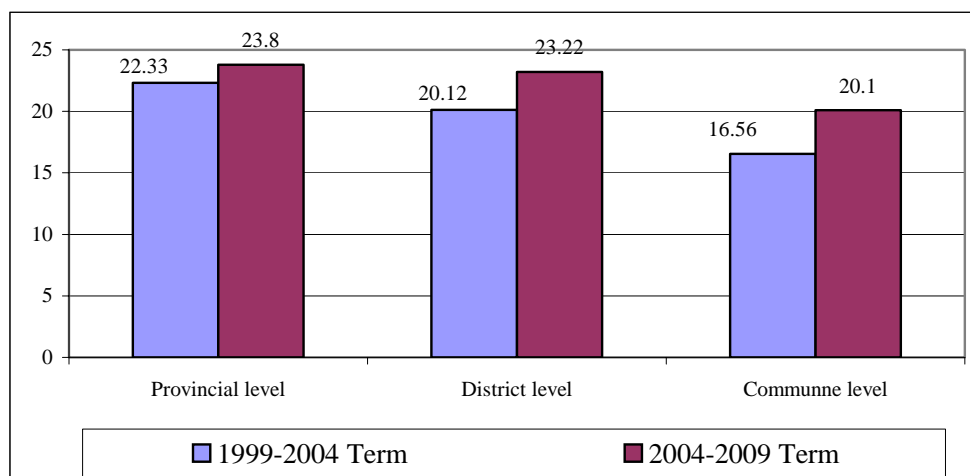
The above efforts paid off as the women's representation in People's Councils of 2004-2009 term reached 22.4%.

At present, there are three Chairwomen and 32 Deputy Chairwomen of Provincial People's Committees representing an increase of 150% compared to the 1999-2004 term<sup>6</sup>. Similarly, there

<sup>6</sup> Nguyen Quoc Tuan and Nguyen Hai Ha: *The Role of Women in State Management*, Nhan Dan Newspaper, February 2004.

was a significant increase of women representation in People's Committees, the executive branch, at all levels. In particular, 23.9% at provincial level, 23% at district level and 19.5% at commune level compared with 6.4%, 4.9% and 4.5% respectively of the 1999-2004 term (see Chart 3.2).

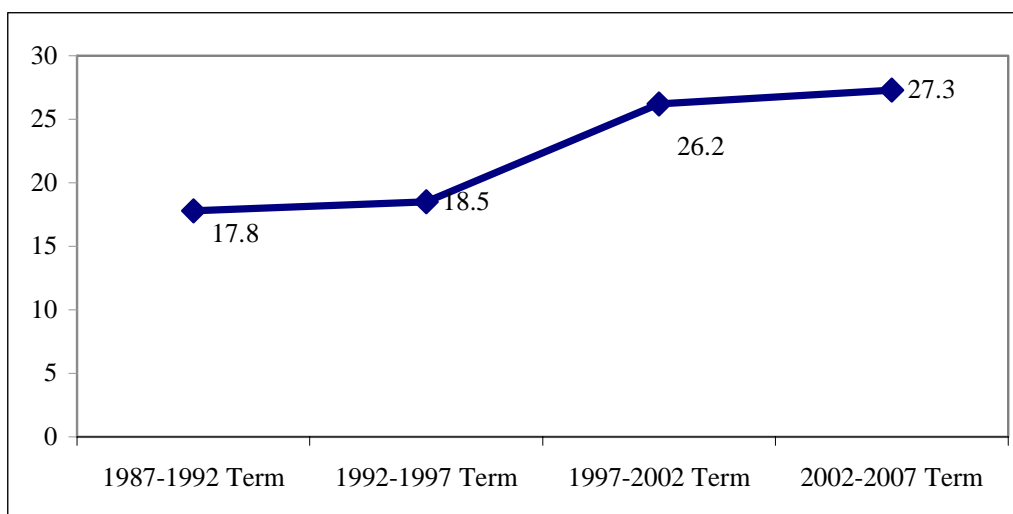
**Chart 3.2: Rates of women deputies in People's Councils at all levels of 1999-2004 and 2004-2009 terms (%)**



Source: Ministry of Home Affairs, 2004

Viet Nam continues to be the leading country in Asia in terms of women's representation in the National Assembly (the Parliament) of 2002-2007 term - with 27.3% of woman deputies (Chart 3.3). Together with an increase in quantity, there have been also improvements in the educational level of female representation in the National Assembly – the proportion of woman deputies with university and higher degrees increased from 58.9% in 1992-1997 term to 87.3% in 1997-2002 term and 90.4% in 2002-2007 term.

**Chart 3.3: The rate of female deputies in the National Assembly (%)**



Source: Statistical Data on Gender in Viet Nam in the Early Years of 21<sup>st</sup> Century, Phu Nu Publishing House, 2005

In the central government, female ministers account for 12.5%, and female vice ministers 9.1%. In the business sector, about 20% of bosses are women. In 2004 one third of judges in the People's Supreme Court were women, a significant increase over the rate of 22% in 2003.

## GENDER EQUALITY IN EMPLOYMENT

Economic independence is a crucial condition for equality between women and men, and has been set as the first goal on the National Strategy for the Advancement of Viet Nam's Women to 2010. Employment and income opportunities for women have increased, improving living standards for themselves and their families. In 2001-2003 there were 2.9 million people receiving job training, of whom women accounted for 30%. About 40% of new employees annually were women<sup>7</sup>. Women are involved in all kinds of occupation,

However, women are mainly employed in services and in jobs not requiring high technical skills (Table 3.2). As a result their earnings are low and there are few opportunities for them to be trained and promoted.

**Table 3.2. Gender structure in some areas (%)**

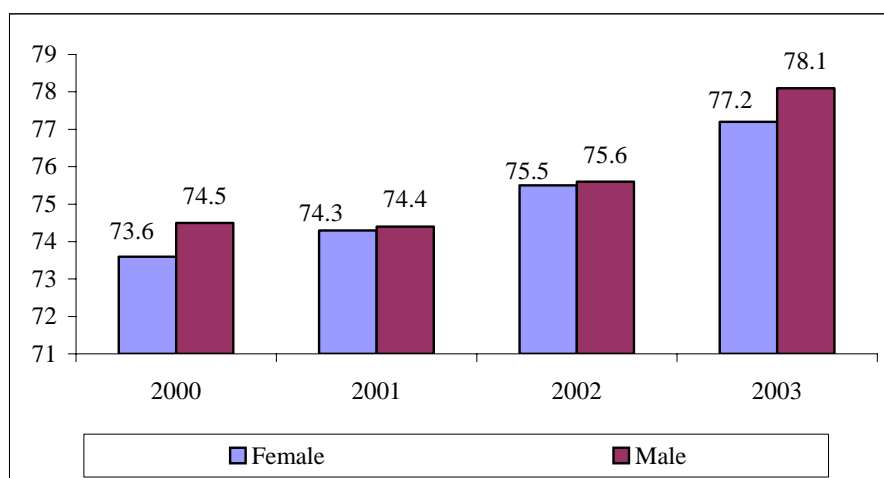
	Women	Men
Leadership	19.0	81.0
Highly professional/technical	41.5	58.5
Middle professional/technical	58.5	41.5
Ordinary staff	53.1	46.9
Private services, guards and sales	68.7	31.3
Agriculture, forestry, fishery	37.6	62.4
Handicrafts	34.7	65.3
Installation and operation	26.9	73.1
Simple jobs	49.8	50.2
<b>Total:</b>	<b>48.4</b>	<b>51.6</b>

Source: National Report 5+6 on Implementation of the Convention on Eradicating all Forms of Discrimination Against Women in Viet Nam

The percentage of women's working time involved in economic activities in rural areas increased continuously over the past years and reached 77.2% in 2003, a negligible gap with men (Chart 3.4) and 2 years earlier than the target set in the National Strategy for Advancement of Viet Nam's Women to 2010.

**Chart 3.4: The rate of utilizing labor time in rural areas by gender 2000-2003 (%)**

<sup>7</sup> NCFAW: Viet Nam: 10 Years Implementing the International Action Program on Population and Development, and the Program on the Advancement of Women.



Source: VHLSS 2002.

## WOMEN'S ACCESS TO LAND AND CREDIT

### *Access to Land*

By the year 2000, only 10-12% of women owned the Land Use Right Certificate. Most of them were women heading households or widows. In order to remove the limitation on women's access to land, the National Assembly approved the revised Land Law in 2003 which states clearly "In cases the land is property of both wife and husband, the Land Use Right Certificate should bear the full names of both wife and husband<sup>8</sup>". The Government issued the Decree 181/2004/ND-CP on guiding the implementation of this law.

The equal right of women's ownership of properties is confirmed in the revised Law on Marriage and Family in 2000. Article 27 states "...The right of use of the land which the woman and the man acquired after they got married is their joint property ... In case the law requires registration of this joint property, the issued certificate should bear the names of both the wife and the husband."

The above legal provisions protect the economic interests of women in civil dealings, especially in accessing to and getting credit. At the same time, these provisions also ensure the consistency and gender sensitiveness of the Viet Nam's legal system. In order to bring these regulations into implementation, a lot of effort has been put into changing or re-issuing the Land Use Right Certificate with the names of both wife and husband.

### *Access to Credit*

Thanks to new credit policies and the implementation of poverty reduction programs, women now have better access to credit sources. By December 2002, female-headed households accounted 60% of the total number of borrowers of credit funds, an increase by more than 20% compared to 1999<sup>9</sup>.

Credit activities implemented by the Women's Union have been assessed as highly efficient (with bad debt less than 0.7% of total loans). By end of June 2003, after 3 years of implementation of the Joint Resolution between the Women's Union and the Bank of Agriculture and Rural Development about 1.3 million women received credit of the total amount of over 5 trillion VND.

<sup>8</sup> Part 3, Article 48

<sup>9</sup> NCAFW: National Report 5+6 on the Implementation of the Convention on Eradicating all Forms of Discrimination Against Women in Viet Nam

## 2. Sources of Success

The MDG on Promoting Gender Equality and Empowering Women has been concretized in quantitative indicators in key documents such as the Comprehensive Poverty Reduction and Growth Strategy, National Strategy on Reproductive Health Care 2001-2010, Education Development Strategy 2001-2010, National Strategy for Advancement of Women to 2010 etc.,.

The National Strategy for Advancement of Women to 2010 is an example of institutionalization of gender equality targets. The overall goal of the Strategy is to improve the material and spiritual life for women; to create opportunities for effective implementation of the basic rights of women and to promote the women's role in all areas of political, economic, cultural and social life.

In addition, the Strategy also sets 5 specific objectives and 20 quantitative targets related to areas of social life. In order to achieve these objectives and targets, the Prime Minister requires all sectors and authorities to implement 9 basic measures, and to mainstream gender issues in the formulation and implementation of national policies.

The promotion of gender-related activities have brought about positive changes in both societal awareness and actions to address gender inequality issues.

During 2002-2004 nearly 3,000 high ranking government officials at central and provincial levels were trained by NCFAW on gender knowledge and skills to mainstream gender into policy formulation and implementation. Gender knowledge has been incorporated into several technical training programs of the health, agricultural and population sectors. The government of Viet Nam also includes assessment of activities related to women's advancement in its annual report. This has created a favorable mechanism for annual implementation and review of gender equality objectives.

National organization for the advancement of Viet Nam's women has been strengthened. Committees on the advancement of women have been established in all ministries, sectors, provinces, cities and are being strengthened under the guidance of the Prime Minister. Organization is expanding into grass-roots level.

The Viet Nam Women's Union and the system of feminine occupation agencies under the Viet Nam General Labor Union are typical organizations caring for the interests and advancement of Viet Nam's women.

With support from international organizations, a number of programs/projects on supporting women and gender equality have been implemented such as the projects on "Gender in Public Policies", "Development of women-headed enterprises", "Increasing the Role of women in People's Councils for the 2004-2009 Term", "Promoting/Issue Land Use Right Certificate bearing names of both wife and husband"...

## 3. Challenges

### CURRENT INEQUALITY ISSUES

Firstly, gender bias and the mentality of man preference still exist in all societal groups. Some specific aspects are favoring male children, perceiving housework and taking care of children as women's duties, sons receiving the largest share of inheritance, investing more on educating sons than on daughters...There are around 67.9% of households in Viet Nam that are seen as male-headed simply because men are considered the breadwinner and decision-maker in the family.

The average working time of women has been measured as 13 hours a day while men work only 9 hours<sup>10</sup>. Women, in addition to their involvement in the production process like men, also have to do housework and take care of children. Women have little time for learning to improve their qualification, for relaxation, entertainment and social activities. In some areas, where the patriarchal system is in place, women have to bear not only all household burdens, but also are the breadwinner in their family.

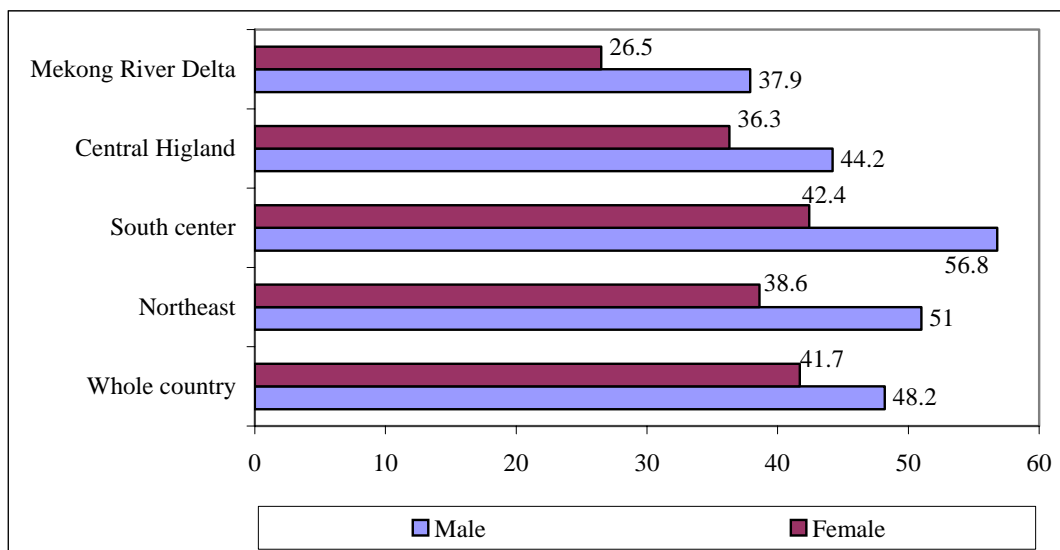
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<sup>10</sup> Vietnam Women's Union: Report on the Assessment of Gender Equality in Vietnam, December 2004.

Access to education and training of girls and women from ethnic minority groups in mountainous, remote and isolated areas is more difficult than boys and men (Chart 3.5). In 2002, girls in mountainous areas have to work for their families, and have little chance to enroll in boarding schools, and early marriage customs also limited their education.

The proportion of women with the highest education levels is still low in comparison with men - in 2000 female professors made up only 3.5% and associate professors 7.2% of the total professors and associate professors.

**Chart 3.5: Attendance in general education by gender and regions 2003-2004 (%)**



Source: Viet Nam Statistics Data of the first years of the 21<sup>st</sup> Century, Phu Nu Publishing House, 2005.

Gaps between legal provisions and their practical implementation have also affected the achievement of gender equality.

Though women's representation in politics and management has improved significantly recently, it is still low and does not adequately reflect the female role in the labor force.

In employment though there is not a great difference in male and female participation rates, the real average income of women is 21% lower than that of men.

The level of training female workers is much lower than for men. Female workers with technical certificates are about half of the rate for men<sup>11</sup>. Female workers with high school and above levels are only 42% of men. This is one of the main reasons for women's lower earnings.

Maltreatment of women in families still exists in both urban and rural areas in all social groups. It is still perceived as private matter within the family. Therefore the many efforts to root out this negative social phenomenon made by government and mass organizations have not yet yielded positive results.

## EMERGING CHALLENGES

Many young female workers in industrial zones or in exports-oriented businesses often have low income, and work and live in unsafe conditions.

Trafficking of women and children to foreign countries to work as prostitutes happens in many areas. Victims of this trade in humans are usually facing harsh economic conditions, live in remote and isolated areas and therefore lack knowledge and information; they have low educational level and have trouble in their families...

<sup>11</sup> Information provided by MOLISA, 2005

HIV/AIDS transmission is spreading among women; the number of children transmitted by HIV/AIDS from their mothers is also increasing...

#### **4. Measures and Resources**

Measures being implemented in this area include:

- Continuing efforts to build and improve the legal system, policies and mechanisms to ensure gender equality in the society, including speeding up the process of preparation and approval of the Law on Gender Equality as an active means to promote gender equality.
- Enhancing the capability of NCFAW at all levels.
- Training gender specialists in line ministries and sectors in order to actively implement gender mainstreaming.
- More financial resources will be provided for activities for women's advancement.
- The Viet Nam Women's Union continuing to represent and protect the interests of women.
- Increasing opportunities for women in all sectors and at all levels to strengthen their knowledge and capabilities and increasing investment for education, occupational training, agricultural extension and other training for improving women's capability.
- Integrating gender aspects into the strategic planning and implementation processes and mainstreaming gender into all socio-economic development targets. Promoting poverty reduction and employment creation as an active measure for gender equality.
- Disseminating and educating to improve the awareness on gender equality, on laws and policies for women with accessible materials being translated into ethnic minority languages and distributed in remote and isolated areas, to help women to understand and implement their rights.
- Combating maltreatment of women within the family across the country.
- Providing more information on the dangers of prostitution and woman trafficking; developing legal assistance to help victims and prevent and limit damage to women.

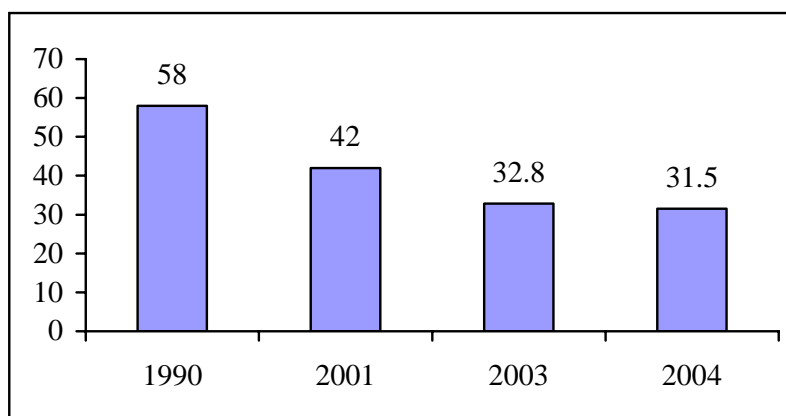
## **GOAL 4: REDUCE THE CHILD MORTALITY RATE**

### **I. Achievements**

#### **REDUCTION IN UNDER-5 CHILD MORTALITY RATE**

Since the 1990s, health care, especially of mothers and children has received particular attention. Encouraging results have been achieved in reducing the under-5 mortality rate, from 58‰ in 1990 to 42‰ in 2001 and 31.5‰ in 2004 (Chart 4.1).

**Chart 4.1. Under-5 mortality rate per 1,000 live births (‰) in 1990-2004**

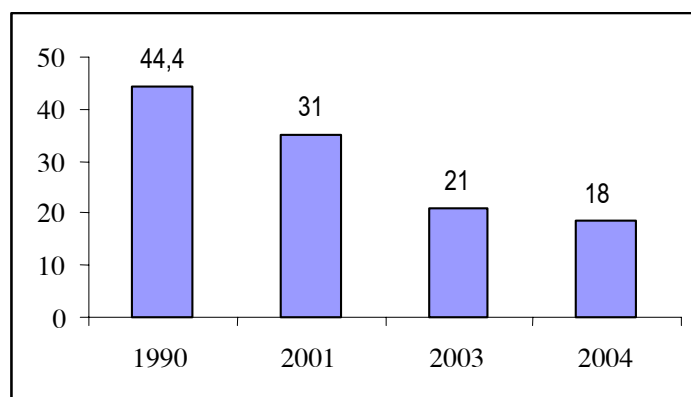


Source: World Bank, UNICEF and GSO 2004.

#### **INFANT MORTALITY RATE REDUCED**

The under-1 year mortality rate has declined remarkably, from 44.4‰ in 1990 to 21‰ in 2003 and to an estimated 18‰ in 2004 (Chart 4.2).

**Chart 4.2: Under-1 mortality rate per 1,000 live births (‰) in 1990-2003**



Source: World Bank, UNICEF and GSO 2004.

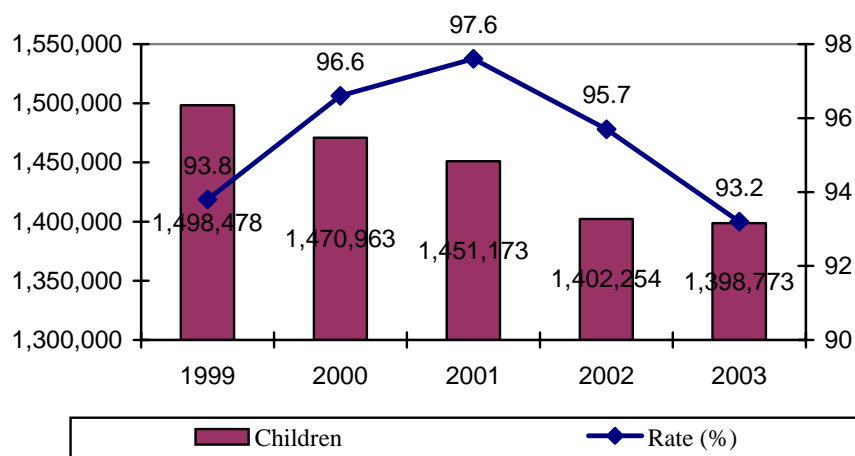
Thus Viet Nam will achieve the MDG of reducing the child mortality rate by two thirds before 2015.

#### **CHILDREN UNDER 1 INOCULATED AGAINST MEASLES**

The Extended Program on Immunization of children has been implemented successfully, with special attention to inoculation against measles for under-1 children, which contributed remarkably to the reduction in the child mortality rate. The under-1 inoculation rate against measles rose to

around 95% (Chart 4.3). As a result the number of children contracting measles dropped from 12,058 in 2001 to 6,755 in 2002 and 2,297 in 2003.

**Chart 4.3: Under-1 rate of children inoculated against measles in 1999-2003**



Source: Ministry of Health. 2004

## 2. Sources of Success

Health care networks, especially the networks at grassroots level, have been upgraded. Pediatric hospitals have been upgraded and expanded, and new hospitals built. New technologies have been introduced and the supply of medicines and equipment has been improved. As a result, many dangerous diseases have been controlled.

Health care activities have been implemented through the National Targeted Programs on Prevention of dangerous diseases, Prevention of HIV/AIDS and Food Hygiene and Safety. Within these programmes there have been a number of projects that directly worked with children such as Extended Program of Immunization, Malnourishment Prevention and Safe Child Raising etc.

Preventative health care measures, such as free medical examinations for poor people have contributed to the reduction in the child mortality rate.

## 3. Challenges

Though Viet Nam has achieved encouraging results in reducing child mortality rate, the country still faces many challenges:

- Continuing poverty is obstacle to further reductions in the child mortality rate and malnutrition. Although the under-5 malnutrition rate declined from 44.9% in 1995 to 26.6% in 2004, these figures are still high in comparison with other countries in the region. Child mortality caused by encephalitis and diphtheria has remained unchanged. In three years, 2001, 2002 and 2003; under-5 mortality caused by encephalitis was (number of infected children/number of child deaths): 574/30; 426/24; 489/38; and by diphtheria 133/9; 105/2; 105/7.
- The government budget for the health sector is still limited and policies on salaries, hospital fees and health insurance are inadequate. While the demand for health care service is increased and diversified with a special focus on modern technologies, investments for specialized health care centers are limited. The number of pediatric hospitals is still small, and the capacity of pediatric departments in hospitals is often inadequate.
- There are differences in resource allocation between rich and poor regions. As a result the child mortality rates in remote and mountainous areas remain too high.

- There is an imbalance within the health sector, between the specialized branch and grassroots health care centers; between preventative health and curative care; between traditional and modern medicine, and between training and the utilization of human resources.
- In the context of globalization and high economic growth in Viet Nam, new dangerous diseases have appeared, such as SARS, H5N1 and other viruses. Environmental degradation (water sources, air, land and forest), homelessness, traffic accidents, etc. pose new challenges, especially to the vulnerable groups

#### **4. Measures**

New measures to further improve child health include steps:

- Extend the preventative health care system to cope with disease and epidemic prevention and environmental hygiene.
- Improve reproductive health care and persuade more mothers to give birth at health care centers, and improve care of new-born children.
- Increase investment in regional health care centers and strengthen the health care system at district and commune levels in terms of physical facilities, equipment and staffing.
- Encourage the participation of all economic sectors in providing health care to mothers and children. Strengthen international cooperation and make effective use of resources available for health care of children.
- Issue regulations to implement the law on Child Protection, Care and Education of 2004, including specific regulation on the rights of under-6 children to free health care examination and treatment at public health facilities.

## GOAL 5: IMPROVE MATERNAL HEALTH

### I. Achievements

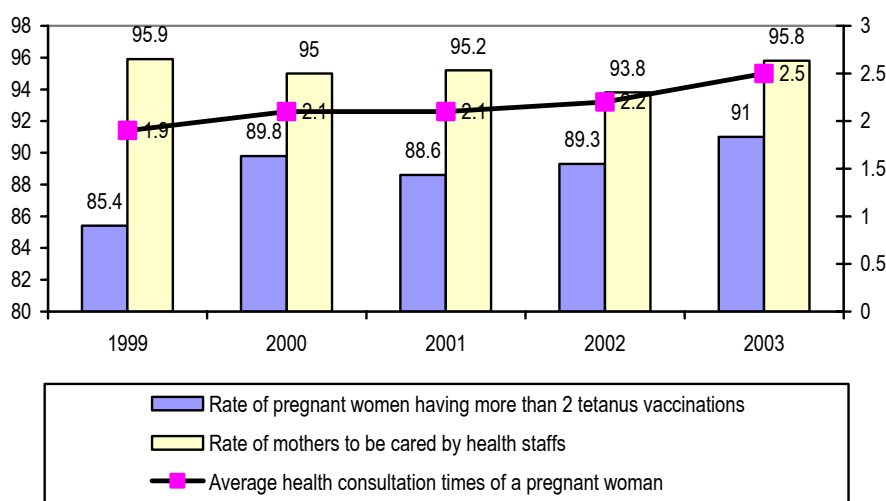
#### REDUCTION OF THE MATERNAL MORTALITY RATIO

The Vietnamese Government has given priority to maternal healthcare during pregnancy and at delivery. As a result, maternal mortality rate decreased from 120/100,000 live births in 1990 to 85/100,000 in 2004.

One of the main reasons for the reduction of maternal mortality rates has been the increasing proportion of births receiving the help of skilled medical staff, as illustrated by three indicators:

- The average number of antenatal checks increased from 1.9 in 1999 to 2.5 in 2003.
- The percentage of pregnant females receiving tetanus vaccination increased from 85.4% in 1999 to 91% in 2003.
- More than 90% of pregnant women and birth-deliveries are now cared for by skilled health workers. The percentage for the urban areas and the deltas is more than 98%.

**Chart 5.1. Care for pregnant women 1999-2003**



Source: Ministry of Health 2004

#### PROPORTION OF BIRTHS ATTENDED BY SKILLED HEALTH WORKERS

In the past 5 years, nine out of ten women, have been attended by skilled health workers during pregnancy and delivery. Women in the southern provinces and urban areas received more antenatal care during pregnancy than those in Northern provinces and rural areas; 98% of pregnant women living in the Red River Delta received antenatal care during pregnancy. This proportion was much higher than in the Central Highlands, the North West and the North East. The percentage of women of 20 to 34 years of age who accessed antenatal care services was higher than those of women under 20 and over 35 years of age.

Based on these achievements, Viet Nam can achieve the MDG of reducing the maternal mortality rate by three quarters of the rate in 1990 by 2015 (62/100,000 live births).

## 2. Difficulties and Challenges

### LIMITED ACCESSIBILITY TO MATERNAL HEALTHCARE

Maternal healthcare services have been improved in the past years, but not equally among areas. In the mountainous and remote areas, maternal healthcare conditions remain difficult, with a substantial proportion of women receiving no health care. The Safe Motherhood services in some areas are of poor quality; means supplying these services are insufficient or not of the appropriate technical standard; and some healthcare workers have insufficient training or motivation.

The proportion of women having no antenatal care, one antenatal check and no obstetrics care service is estimated to be 13%, 10% and 13%, respectively. Pregnant women's accessibility to maternal care varies according to their education levels and localities. 48.4% of illiterate women and 32.2% of women who have not finished primary education (compared to 10.1% of women who finished primary education) do not have access to obstetrics care services; 27.2% of women living in the Central Highlands and 23.2% of women living in the North West and the North East received no obstetrics care services. The proportion of pregnant women in rural areas who did not receive any antenatal care is three times higher than the proportion in urban areas.

Table 5.1 shows that 28.7% of women who delivered their fourth or fifth child were not cared for by medical services. This proportion was twice as high as the proportion of women experiencing their second or third childbirth, and 3 times as high as the proportion of women experiencing their first child-birth. This group of highly vulnerable women is mainly concentrated in mountainous areas, a long distance from health facilities and they have insufficient knowledge on safe motherhood.

**Table 5.1. Pregnant mother care 1999-2003**

	Pregnancy Care (%)					Total	Birth cases
	Doctor	Nurses	Local midwife	No midwife	Unknown		
<b>Total</b>	<b>46.4</b>	<b>40.0</b>	<b>0.3</b>	<b>13.2</b>	<b>0.0</b>	<b>100.0</b>	<b>1,321</b>
<b>Ages of mother</b>							
Under 20	34.8	45.3	0.0	19.9	0.0	100.0	115
20 – 34	48.2	39.5	0.3	12.0	0.0	100.0	1,107
Over 35	40.0	39.0	0.8	19.6	0.6	100.0	100
<b>Birth frequency</b>							
1	53.9	36.6	0.1	9.4	0.0	100.0	560
2-3	43.5	43.7	0.6	12.1	0.0	100.0	630
4-5	34	36.7	0.0	28.7	0.6	100.0	103
6+	9.7	34.8	0.0	55.5	0.0	100.0	29
<b>Living areas</b>							
Urban	85.2	10.8	0.9	3.1	0.0	100	229
Rural	38.3	46.1	0.2	15.3	0.1	100	1092

Source: Health and demography survey 2002, National Committee on Population and Family Planning

Women in the age group of 20-34 years, with higher education and living in the urban areas and in Red River Delta have enjoyed a higher percentage of tetanus vaccination than those in other groups and regions.

**Table 5.2: Percentage of birth cases in 3 years before the surveys by mother's tetanus vaccinations during pregnancy in 2002**

	Number of vaccine shots before birth				Total	Birth cases
	No shot	1 shot	More than 2 shots	Unidentified		
<b>Total</b>	<b>14.9</b>	<b>14.3</b>	<b>70.5</b>	<b>0.3</b>	<b>100.0</b>	<b>1,321</b>
<b>Ages of mother</b>						
Under 20	22.3	10.5	66.1	0.0	100.0	115
20 – 34	13.2	14.5	72.1	0.2	100.0	1,107
Over 35	24.2	16.2	57.1	2.6	100.0	100
<b>Birth frequency</b>						
1	10.2	9.4	80.3	0.2	100.0	560
2-3	13.9	18.5	67.4	0.2	100.0	630
4-5	38.3	11.9	48.3	1.5	100.0	103
6+	(46.3)	(25.4)	(26.2)	(2.1)	100.0	29

Source: Health and demography survey 2002, National Committee on Population and Family Planning

## **ABORTIONS AND MENSTRUAL EXTRACTIONS HAVE AGAIN INCREASED**

Abortion affects maternal health badly. In Viet Nam, abortions and menstrual extractions can be implemented easily at health facilities. The proportion of married women in the age group of 15-49 years receiving abortions and menstrual extractions decreased from 1.48% in 1998, to 1.3% in 2001 and 1.08% in 2002 but increased to 1.47% in 2003. Table 5.3 shows the rate of married women in the 15-49 age group who experienced abortions and menstrual extractions in the period 2001-2003.

**Table 5.3: Rate of abortion and menstrual extraction by urban/rural region in 2001-2003**

	2001	2002	2003
Whole country	1.30	1.08	1.47
Urban	1.71	1.14	1.66
Rural	1.16	1.05	1.41

Source: Family planning survey, 1/4/2004, Committee on Population, Family and Children

## **POOR PHYSICAL CONDITIONS FOR MATERNAL HEALTHCARE**

While the demand for Safe Motherhood services by people living in poor communes and difficult areas in mountainous, remote and densely-populated areas with high birth rates is great, the system cannot provide timely, convenient and sufficient services. Many people, even married couples at the reproductive age, have got limited knowledge of Safe Motherhood service, so they do not attend Safe Motherhood services. The rate of women having a third child, and of those who suffer from sexually transmitted diseases and HIV/AIDS remain too high.

### **3. Measures**

Steps required include:

Increase education and communication to improve knowledge of and commitment to Safe Motherhood goals and contents.

Extend the medical system and develop human resource for medical services.

Strengthen coordination between the health facilities, and child, maternal healthcare and family planning facilities in both state sector and private sector.

Integrate Safe Motherhood principles into other programs, such as those for population and family planning, nutrition and HIV/AIDS.

Train medical personnel on reproductive health policies.

Allocate sufficient equipment and drugs to raise standards of health diagnosis, disease prevention, emergency service, and treatment.

Improve supporting policies and laws (e.g. on gender equality).

Encourage the use of contraceptive methods and enhance the specialist contraceptive knowledge of medical personnel.

Attract medical personnel to work in poor and remote areas.

Establish appropriate regulations covering aided conception, surrogate parenthood, sex transformation, etc.

Promote co-operation between agencies including the private medical sector and mobilize popular participation, to implement reproductive health policies.

Diversify consultant services on reproductive health.

Increase international co-operation and non-government operations in the reproductive health field.

Increasingly mobilize resources from outside the State budget, to free budget resources for expenditures in disadvantaged areas.

## GOAL 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

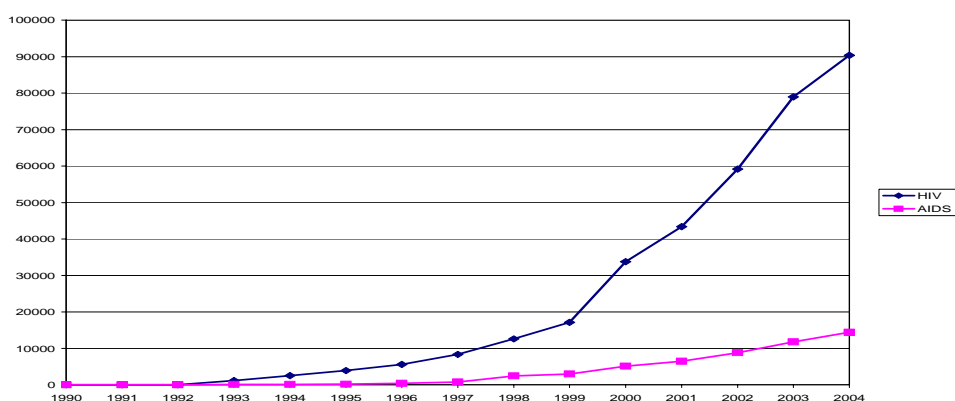
### I. Combat HIV/AIDS

#### GOVERNMENT IMPLEMENTATION OF HIV/AIDS PROGRAMS

##### *HIV/AIDS Prevalence in Viet Nam*

As of 31st December 2004, a cumulative total of 90,380 people had been reported as HIV positive, of which 14,428 people were diagnosed with AIDS and 8,898 AIDS patients died. For 2004 alone, newly reported HIV cases are 14,200 nationwide, of which 2,769 are AIDS patients and 1,848 AIDS patients died. The HIV/AIDS epidemic in Viet Nam can be divided into 4 phases: (1) 1990-1993: the epidemic concentrated in a few provinces and cities where less than 1,500 HIV cases had been identified each year; (2) 1994-1998: the epidemic spread nationwide, but still with less than 5,000 HIV cases identified each year; (3) 1999-2000: HIV cases were more than 10,000 each year and the epidemic becoming widespread; (4) 2001-2004: HIV cases were more than 15,000 each year and the epidemic penetrated to many local areas.

**Chart 6.1: Total HIV/AIDS cases in Viet Nam 1990-2004**



Source: Statistics Yearbook 1990-2004, Ministry of Health

By the end of 2004, HIV cases were found in all of 64 provinces/cities; 93% of districts and 49% of communes had detected HIV cases. In some provinces/cities 100% of communes reported cases of HIV. 62.9% of total HIV infection was concentrated in 15 provinces/cities. The number of pregnant women infected by HIV has increased rapidly.

**Table 6.1: Provinces/cities with highest HIV infection by July 2003**

	HIV infected cases /100,000 population
1. Quang Ninh	572
2. Hai Phong	332
3. Ho Chi Minh City	248
4. Ba Ria-Vung Tau	229
5. An Giang	184
6. Ha Noi	175
7. Lang Son	151
8. Cao Bang	128
9. Khanh Hoa	102

10. Binh Duong	95
11. Dong Nai	92
12. Thai Nguyen	91

Source: Department on Preventive health and HIV/AIDS prevention, Ministry of Health, 2004

### *Achievements*

Viet Nam made a great effort to combat HIV/AIDS. The National HIV/AIDS Strategy to the year 2010 and the Vision 2020 has 4 priorities and 9 action programs. This strategy was complemented by national and international organizations becoming a comprehensive plan to tackle HIV/AIDS.

Treatment and consultations centers to find solutions for HIV/AIDS were established from central to provincial level. The Department of Preventive healthcare and HIV/AIDS was established under the Ministry of Health. Decentralization was promoted to increase local participation.

Mass organization participated actively in the battle against HIV/AIDS. Educational information and communication activities in the mass media focused on the youth, the most vulnerable group. The Youth Union helped raise awareness of youth union members, who become an important information channel sending key messages on HIV/AIDS to other members of the community. The role of the family in combating HIV/AIDS also received attention.

The Government continues to invest in the HIV/AIDS battle. In the period 1995-1999, each year VND 45-55 billion was mobilized for HIV/AIDS programs, in 2000-2003 VND 60 billion/year and in 2004 VND 80 billion.

Today, Viet Nam has 41 laboratories located at 34 provinces and cities to detect HIV/AIDS infectious cases. Most of provinces have their own laboratory to treat AIDS patients.

HIV/AIDS has been increasing in recent years, and will increase in the immediate future. If the above interventions are not effective, the objective of constraining HIV/AIDS infection rate under 0.3% by 2010 and constant after 2015 would be very hard to reach.

### *Difficulties and Challenges*

Infrastructure and resources for combating HIV/AIDS remain insufficient. The healthcare facilities for combating HIV/AIDS are inadequate and weak (human and infrastructure). Despite the increased spending, resource commitments fall far short of the actual need. There is no support for those who take care of HIV infected orphans, nor policies for the treatment of HIV/AIDS patient. A system of counseling and voluntary testing for pregnant women is not in place.

Treatment cost per HIV/AIDS patient is high. Most patients are too poor to pay for treatment. Discrimination against HIV-infected people limits their access to health services. Treatment medicines for HIV/AIDS patient do not meet the demand, due to lack of funding and policies to manufacture medicines domestically. Blood test skills are low, with more than 80% of clinics only testing with very simple techniques. The majority of blood donations come from professional blood sellers, who are in a high-risk group, so that the risk of infecting via blood transfusion transmission is real.

Communication and counseling services is weak, not covering all areas, with information not reaching many in high-risk groups. Solutions have not been implemented due to the lack of legal framework and agreement among relevant Ministries (Security, Labor, War Invalids and Social Affairs, Health...).

The transmission risk is high, spreading to all provinces in the country. There are signs of infection spreading from high-risk groups to the general population

### *Measures to Meet the Challenges*

Measures taken to meet the challenges include steps:

- Strengthen the government's management at all level in combating HIV/AIDS, promote communication activities.
- Co-ordinate sectors, communities and mass organizations in combating HIV/AIDS, delivering information and education to change behavior.

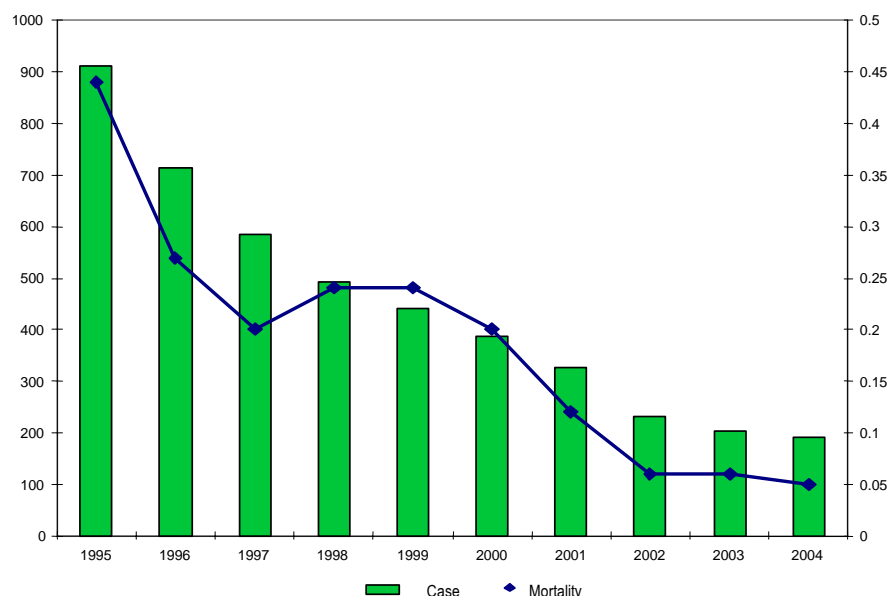
- Expand interventions such as clean needle and condom programs for areas with drug users, female sex workers and high proportion of HIV cases.
- Amend laws related to combating HIV/AIDS.
- Set up a care and assistance system for HIV-infected people based on the healthcare system and in close coordination with local organizations, involving family and community as basic elements for caring.
- Promote support activities for HIV-infected people and their families to treat infected people in their family and community.
- Organize training and awareness courses on stigma, confidentiality and provision of quality services. Educate, and counsel HIV-infected people about their responsibility for themselves, family and community in preventing HIV/AIDS prevalence. Encourage the formation of HIV/AIDS clubs and self-help groups and encourage them to challenge discrimination.
- Set up a national surveillance system on HIV/AIDS.
- Set up laboratories at science institutions and central hospitals in line with regional and international standards by providing equipment, and upgrading facilities and human resources; set up laboratories at the provinces level meeting national standards; carry out surveillance system at district level; monitor serum for HIV/AIDS, improve the quality of tests.
- Improve monitoring of high risk group behavior early warning epidemic trends. Closely integrate programs to modify behavior and reduce the spread of infection through sexual intercourse.
- Implement the program of consultation and voluntary test in 40 provinces in 2005 and in all provinces by 2010.
- Integrate the consultation service into healthcare programs for family planning, child and mother health care.
- Implement strategy against intravenous drug use.
- Improve treatment for HIV/AIDS patients to help reduce the socio-economic cost of HIV/AIDS.
- Strengthen national centers for HIV/AIDS treatment; increase investment in infrastructure, sick-bed facilities, equipment for HIV/AIDS examination and treatment including high tech equipment.
- Integrate the tuberculosis program with the HIV/AIDS program.
- Amend policies to meet the needs of personnel treating HIV/AIDS.
- Encourage the use of traditional medicine in treatment, to increase resistance and physical health of patients.
- Efficiently utilize mobilized fund in HIV/AIDS action plans.
- Encourage domestic manufacture of equipment, medicines and swabs for HIV/AIDS; and develop testing of domestic products.

## **2. Combat Malaria**

### **ACHIEVEMENTS**

Malaria has been effectively controlled in Viet Nam. Between 1995 and 2004, malaria cases per 100 thousand people decreased by 4.5 times and malaria mortality per 100 thousand people decreased by 9 fold.

**Chart 6.2 Malaria cases and malaria mortality/100,000 population annually**



Source: Ministry of Health, 2004

Prevention methods against malaria are mainly through use of mosquito sprays and impregnated bed nets. In 2004, more than 80 percent of people living in highly malaria endemic areas were protected by these methods. Around 2.5-3.5 million doses of medicines had been provided for malaria treatment every year.

## DIFFICULTIES AND CHALLENGES

Malaria is endemic in some region, with resurgence from time to time in some communes and villages, especially Central Highlands, central provinces and the South East.

Backward practices and low awareness are the main obstacles for malaria control. Even though communication and education efforts have made some progress, they have not reached the right targets (for example people in remote and border areas). The quality of intervention (spraying and bed-net impregnation) is poor in several areas.

Infrastructure in high-risk areas is inadequate, limiting access to health facilities.

### Measures to be taken

Required measures include steps to:

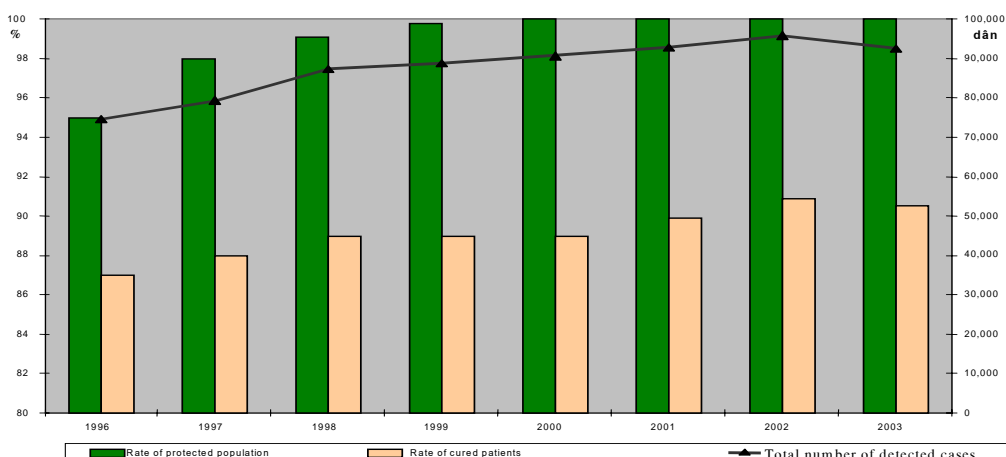
- Continue interventions such as spraying and impregnating bed nets in high malaria prevalence areas. Epidemiological practices should be aligned with the actual demand of the areas. Malaria medicine and treatment of at least 1.75 million doses must be available yearly, new medicine like CV-8, and fast tests should be tried.
- Focus on high risk groups (e.g. migrants, foresters, people living in border areas, workers in hydraulic plants and plantations).
- Intensify propaganda, educate and mobilize people to prevent malaria for themselves and their families (100 percent use of mosquito nets, improved sanitation, sufficient and correct medicine when contracting malaria).
- Improve district, commune and village healthcare, monitor private pharmacies, etc, ensure effective initial malaria treatment.
- Set up strong surveillances from central to local with sufficient personnel and appropriate equipment to respond immediately and effectively to malaria morbidity.
- Develop an information network to address malaria.
- Integrate the malaria control program into the general healthcare system and with other socio-economic development projects from central to local level.

### 3. Combat Tuberculosis (TB)

#### ACHIEVEMENTS

By 1999, DOTS<sup>12</sup> was applied in all districts. From 1997-2002, 532,000 TB cases of all forms were detected, the detection rate was 82 percent of the estimated number (WHO target was 70%); 261 thousand pulmonary TB patients AFB (+) were treated with a 92% successful recovery rate.

Chart 6.3: TB Treatment Results 1996-2003



Source: Statistics Yearbook 1996-2003, Ministry of Health

Viet Nam met the target in TB detection and treatment, and, was the first Asian country to reach WHO target in 1996, an achievement that has been recognized internationally.

#### RESOURCES OF SUCCESS

From 1995, in the face of negative changes in global epidemiology of TB, Viet Nam decided to make TB prevention a Targeted National Health Program. With the support of international friends such as the Netherlands, WHO... Viet Nam committed and implemented DOTS.

Thanks to DOTS, TB patients were treated successfully at home. Community participation, including health personnel, private pharmacists, prison personnel, volunteers, students, etc. helped bring medicine to patients and eliminate TB discrimination. As a result Viet Nam has already achieved the MDG in combating tuberculosis.

#### DIFFICULTIES AND CHALLENGES

DOTS implementation in mountainous, remote, border, island areas for groups including prisoners, homeless, free migration, mental patients, elderly, etc. faces difficulties.

There has not been any integration of TB activities into private health system. TB medicine can be found easily on the market, but the quality of the medicine, as well as the un-monitored implementation of DOTS lead to the resistance of TB virus, which has become a global concern.

#### MEASURES AND RESOURCES

Measures are required to:

- Enhance TB management capacity of district and provincial TB health personnel.
- Strengthen the testing system at provincial - district level.

<sup>12</sup> DOTS is the "Short-term chemical therapeutic with direct monitoring", initiated by the World Health Organization, including five main components: Call for nations' commitments to mobilize all resources for an effective tuberculosis programme; evaluate the quality of sputum by microscope to detect TB patients; use short term chemical therapeutic process; comprehensive management and direct monitoring of the provision of benefits for TB patients; system of note-taking, report and evaluation of treatment impact for each patient.

- Ensure test quality and safety by applying advanced techniques in fast TB tests for eligible provinces.
- Provide sufficient TB medicine, and necessary diagnostic equipment.
- Improve quality of DOTS implementation and TB treatment, especially in difficult areas.
- Improve the data collection system and apply information technology in TB management.
- Integrate the TB program with other national healthcare program including HIV/AIDS, EPI, leprosy, etc.
- Promote nationwide propaganda to socialize TB combat. Coordinate community organizations and families of patients to support TB patients.

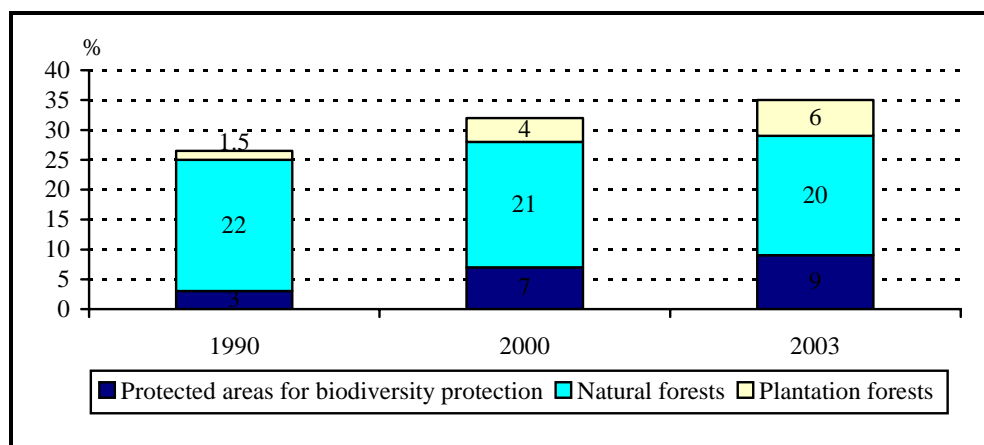
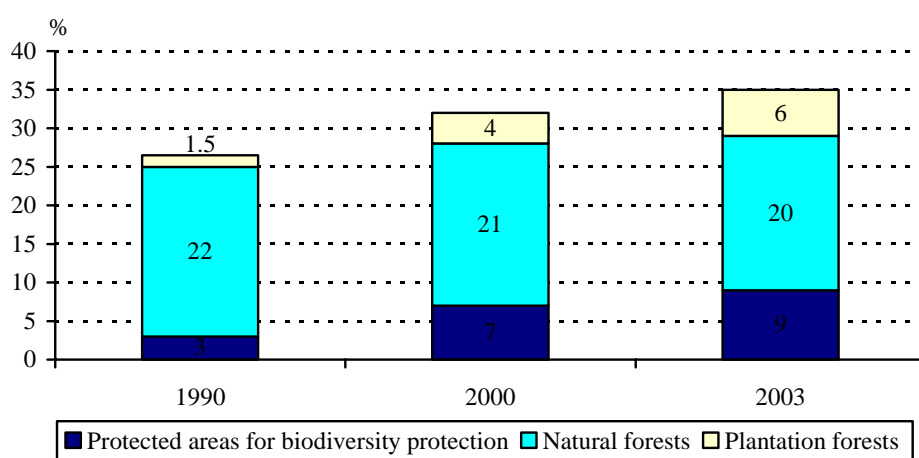
## GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

### I. Achievements

### INCREASE OF FOREST COVER

Forest cover has increased over the past 10 years, from 27.2% in 1990 to 33.2% in 2000 and reached 37% in 2004 (see Chart 7.1) thanks to the Government's afforestation policies and the realization of the "Five million Hectares Reforestation Program. This was achieved despite losses of thousands of hectares of forest due to uncontrolled forest fires and illegal logging. The Government promulgated forest protection policies in 1996 to improve forest quality, and stop the exploitation of virgin forests.

**Chart 7.1: Forest cover area (%)**



Source: Statistical Yearbook 1990-2003, General Statistics Office

### BIOLOGICAL DIVERSITY

Significant progress has been made in nature conservation and biodiversity. The surface of protected areas for biodiversity conservation is now 8% of the total territory, meeting the requirement 6-10% as recommended by international development and conservation organizations. Of the 126 protected areas, some have been recognized as World Natural Heritages, World Biosphere Reserves or ASEAN Natural Heritages. The Government is about to establish 17

marine protected areas. Viet Nam targets to have 11.6% of its territorial surface under conservation by 2010.

Although plantation forest cover is high and increasing (in 2003 it accounted for 17% of the total forest cover), quality does not meet requirements. The quality of forests in the estuaries, along the coast, and in wetland areas has declined significantly and is at risk of further degradation. Deforestation, illegal logging, trapping and hunting wild animals and over-exploitation of the forests continues.

**Table 7.1: Forest area of all kinds (thousand hectares)**

	1990	1995	2000	2003
<b>Total forest area (nationwide):</b>			10,912	11,975
of which:				
Natural forest			9,444	9,874
Plantation forest	100.3	209.6	196.4	192
Protected areas				2,542
Forest area uncontrollably burned		7.5	1.1	4.2
Forest area illegally logged	17.4	18.6	3.5	2.4

Source: Statistical Yearbook 1990-2003, General Statistics Office

## IMPROVEMENT OF ACCESS TO CLEAN WATER AND SANITATION

As a result of implementation of the *Clean Water* and *Rural Clean Water Supply and Sanitation Strategies*, Viet Nam has built more than 700,000 water supply systems. In 1996, only 28% of the rural population had access to clean water, rising to 54% in 2003 and an estimated 58% in 2004.

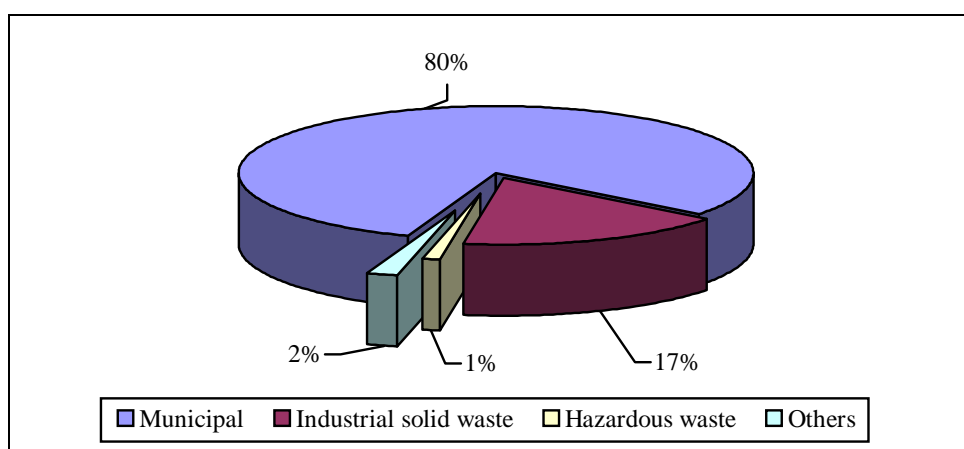
By 2003, 41% of the rural population had access to hygienic latrines (approximately 5 million households). The rural population has improved awareness of environmental care, and they are gradually shifting from use of traditional unhygienic latrines, although the spread of hygienic latrines has slowed down recently.

The MDG target of doubling the rate of rural population having access to clean water already has been reached in 2005 (i.e. halving the proportion of people without access to safe drinking water by 2015).

## SOLID WASTE COLLECTION AND TREATMENT

Viet Nam's discharge of solid waste is estimated about 15 million tons each year, with municipal waste accounting for 80% and industrial waste nearly 20% (see Chart 7.2). Urban solid waste makes up about 50 percent of all household waste. It is estimated that if in the coming years the urban population doubles the national total solid waste will increase to 22 million tons/year.

**Chart 7.2: Solid waste components**

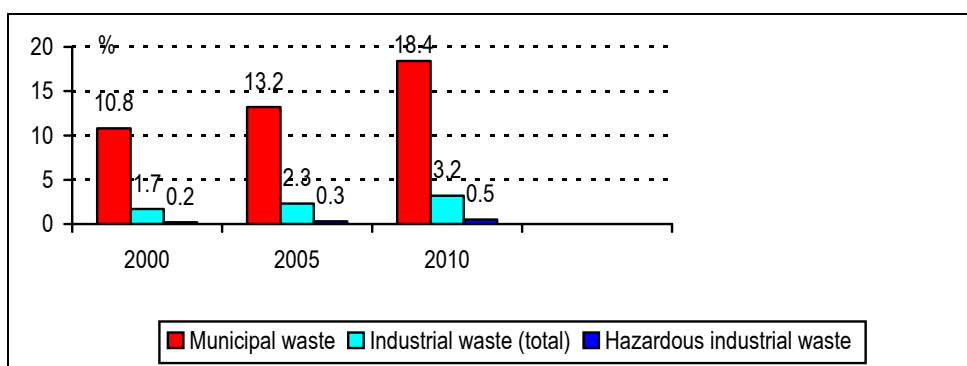


Source: State of the Environment Report 2003, MONRE

Impressive progress has been made with the collection of waste from urban areas, with about 71% collected and the rate is continuing to increase. However, solid waste is threatening the environment, despite some improvement in waste treatment. Of the total of about 100 dumps and landfills, only 20% are of adequate sanitary quality. The rest cause environmental pollution and are a threat to people's health.

Hazardous waste incineration systems are lacking, hazardous waste usually disposed of with other general wastes. There is better incineration capacity for hospital waste, with sanitary treatment facilities in 32 provinces.

**Chart 7.3. Current status and forecast of waste in Viet Nam (%)**



Source: State of the Environment 2003, MONRE

Reuse and recycling is already common in Viet Nam and mainly carried out by households. The high proportion of organic waste in municipal waste gives it good potential for production of organic fertilizer. There are many examples of good practice, but they have not yet spread widely.

## 2. Challenges

In the past few years, Viet Nam has been frequently affected by natural disasters, causing loss of life, economic costs and damage to the environment.

Rapidly increased population densities in large cities and industrial zones exerts pressure on the capacity of the existing infrastructure, leading to environmental pollution.

Uncontrolled, overexploitation of natural resources is causing environmental degradation in some areas.

Environmental pollution increases, especially in urban areas and industrial zones as follows:

- The *air* in most urban areas and industrial zones is severely polluted with dust and hazardous fumes. Dust contamination exceeds set standards by 1.3 to 3 times, and even 12-20 times in some places. SO<sub>2</sub> contamination is 1.1 to 2.7 times permitted levels in areas surrounding some factories and enterprises. Acid rain affects some localities, especially in the Southeast. The most important sources of air pollution are transport, industry, and construction activities.

However, lead contamination in most road systems has sharply reduced by 40-45% each year since 2002 and air quality in many rural and mountainous areas is still very good.

- Greenhouse gas emission is low, but rising. CO<sub>2</sub> emission will sharply increase by the end of this decade without effective action. Greenhouse gas emission was estimated at 103.8 million tons of CO<sub>2</sub> equivalent in 1994, of which the largest share (52.4 million tons) was from agricultural activities (livestock, rice cultivation, waste burning at fields, grass burning, etc.); the energy sector (25.6 million tons); the forestry sector (19.4 million tons); and the industry sector (6.4 million tons). The main greenhouse gases are CO<sub>2</sub> (4.3 million tons), CH<sub>4</sub> (equivalent to 52.5 million tons of CO<sub>2</sub>), NO<sub>2</sub> (equivalent to 12.4 million tons of CO<sub>2</sub>). In the coming period the energy, agriculture and forestry sectors and changes of land use will be the main sources of greenhouse gas emission. It is estimated that greenhouse gas emission in Viet Nam will amount to 140 million tons in 2010 and 233 million tons in 2020 (see Table 7.2).

**Table 7.2: Forecast of greenhouse gas emission**

*Unit: million tons of CO<sub>2</sub> equivalent*

Sectors	1994	2000	2010	2020
<b>1. Total</b>	<b>97.47</b>	<b>102.62</b>	<b>140.67</b>	<b>233.28</b>
- Energy	25.64	45.92	105.17	196.98
- Forestry and changes of land use	19.38	4.20	-21.70	28.40
- Agriculture	52.45	42.5	57.2	64.7
<b>2. Greenhouse gas emission per 1 million population</b>	<b>1.38</b>	<b>1.24</b>	<b>1.48</b>	<b>2.33</b>

*Source:* National report of Viet Nam to UNFCCC

- *Water environment:* water quality measured at specific points near towns and industrial zones, in the main rivers in the north (Cau, Thai Binh, Cam, and Red rivers) and the South (including Dong Nai and Sai Gon rivers) does not meet the standards for household water supply, although meeting standards for other uses such as aquaculture activities and swimming pools.

Water in rivers in the central region (Han and Huong rivers) is still of good quality and can be used for water supply. Water in most small rivers, lakes and canals in large cities like Hanoi, Da Nang, Hue and Ho Chi Minh City is polluted to alarming level with all indicators exceeding permitted standards by 4-5 times, even 70 times. This is mainly the result of direct discharge of municipal and industrial wastewater into rivers, lakes and canals without treatment. However, except for those small rivers flowing through urban areas and industrial zones, the water quality in all large rivers, including Red or Mekong, is lightly polluted at some points, but still within standards for aquaculture activities.

- *Groundwater:* The infiltration of saltwater has increased in coastal areas. The average value of BOD<sub>5</sub> and COD concentration in the groundwater is within standard levels; however the value of nitrogen, phosphate and concentration of heavy metals in some areas adjacent to industrial zones

has been increasing. In some cities, groundwater levels have declined sharply, even causing land subsidence in Hanoi.

### 3. Measures

Measures required to achieve the MDG include:

- Use of economic tools including collection and utilization of environmental protection fees along with efforts to ensure efficient use of collected fees.
- Adopt a specific recognition of environmental costs within the National Accounts system.
- By 2006, ensure the allocation of not below 1% of total State budget is spent for environmental activities and this rate should be increased with economic growth.
- Diversify investment in environmental protection to ensure sufficient resources, and adopt measures to encourage domestic and international individuals and organizations to invest in environmentally sound practices. Ensure integration of environmental protection into socio-economic development programs and encourage the private sector to invest in environmental services.
- Adopt and implement support policies on credit, loans, taxes and subsidies for environmental protection activities in accordance with international practice and ensure effective use and management of the Viet Nam Environmental Protection Fund.
- Strengthen institutional capacity for environmental management and enhance staff capacity at all levels, especially at district and commune levels.
- Integrate sustainable development principles into national policies and programs - the Viet Nam socio-economic development strategy 2001 – 2010 affirms that: “Rapid, efficient and sustainable development and economic growth go along with social equality and advance, and environmental protection”, and “socio-economic development must link with environmental protection and improvement, ensuring the harmony between artificial and natural environments, and protecting biodiversity”.
- Continue implementing reforestation programs and forest protection plans, with tough measure to stop illegal logging deforestation and uncontrolled exploitation of forest products, fauna and flora.
- Revise the National Biodiversity Action Plan (approved in 1995) and develop a Biodiversity Law. Establish a marine protected areas system.
- Implement measures to attract investment to increase forest cover, and for biodiversity conservation, both inland and aquatic biodiversity.
- More efficient use of energy: energy development must comply with the principles of sustainable economic growth, social-economic harmony, and environmental protection. Energy production and energy using equipment should be selected based on cost effectiveness and energy efficiency. Solutions for energy system management should be within the framework of Demand of Energy Management Fee (DSM), with strict, modern and rational supervision of energy consumption, combining “hard” policies (legal controls, etc.) and “soft” policies (tax, price, energy subsidy, training, education, economic and effective methods of energy consumption).
- Reduction of green house gas emissions: In the energy sector, the focus will be on four approaches: economize and improve energy productivity; transform fuel types/sources; use recyclable energy; and reduce gas leakage from waste. In agriculture, the focus will be on irrigation management; livestock feed; and use of biogas. In forestry and changes in land use, the focus will be on a forestation; and reduction in forest-fires.
- Clean water supply and access to better sanitation: continue to implement existing programs for rural clean water supply; reduction of disparities between rural and urban areas and different regions, between ethnic groups, and between the poor and the rich.

## **GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT**

Developing a global partnership for development is a consistent objective in the foreign policy and external economic relations of Viet Nam. Viet Nam has established and strengthened a comprehensive global partnership within the framework of bilateral and multilateral cooperation.

### **I. Achievements**

#### **EXPANSION IN FOREIGN TRADE**

Viet Nam has continued to accelerate the international economic integration process, both in terms of scale and speed of change. Policies have been developed to encourage a clear, transparent and expanding commercial system; building stable and non-discriminatory economic relations; improving competitiveness and quality of trade goods, and encouraging all sectors of the economy to participate in foreign trade.

There has been a comprehensive reform of business and international commercial law. Most laws related to commerce, trade and investment have been revised, including laws governing income, value added and land use taxes, banking, private and state-owned enterprises, cooperatives, competition, investment, construction and real estate, and fisheries.

Viet Nam is a member of the Free Trade Area of ASEAN (AFTA), gradually liberalizing trade and investment in the framework of APEC. Negotiations for WTO accession are being vigorously pursued. Bilateral negotiation to open markets of goods and services have been conducted with 20 partner countries. 86 bilateral trade agreements and approximately 47 bilateral investment protection agreements have been signed or under active negotiation. Vietnamese goods and services are exported to over 160 countries, especially in the EU, the United States and Canada. In relation to a number of goods (including rice, processed fishery products, coffee, rubber, ready-made clothes and footwear, cashew nuts) Viet Nam has established itself as a leading supplier in international markets.

Exports continued to grow during the period 2001-2004 at a high rate, with average growth in exports of 16%, thus doubling the GDP growth rate. Exports have played a leading role in economic development.

#### **INFLOWS OF CAPITAL**

Although total international ODA are stagnating, the total ODA committed to Viet Nam during the last 4 years (2001-2004) increased at a reasonable rate, with total commitments of approximately USD 11.17 billion, of which grants accounted for 15-20%, and estimated disbursement was USD 6.1 billion.

However, Viet Nam is not aid-dependant as the ratio of ODA to total investment is only around 5%. Viet Nam has effectively used ODA to pursue prioritized development goals such as poverty reduction, development of infrastructure in rural areas (irrigation, a forestation, aquaculture, road, electricity and water); health care (improved basic health care networks; implementation of HIV/AIDS and other transmitted diseases prevention programs; enhanced mother and child health); education and training (primary, secondary, tertiary and vocational training); infrastructure (electricity, transportation); strengthened managerial capacity (administrative reform, laws and economic management.). ODA has particularly benefited people in disadvantaged and poor areas.

Foreign direct investment (FDI) continued to increase. During 2001-2004, total registered capital accounted for USD 13.46 billion, 19% above the planned target. FDI implemented amounted to

USD 10.5 billion or 17% of total investment, an increase of 12% above the previous period. The percentage of GDP supported by foreign investment related activities has been gradually increasing over the period (in 2001: 13.1%; in 2002: 13.9%; in 2003: 14.5% and in 2004: 14.8%).

FDI has been particularly important as a source of modern technology in such fields as telecommunications, crude oil exploitation, chemicals, electronics...and some key industrial sectors. By stimulating business innovation FDI has contributed to competitiveness in domestic market, stimulating domestic enterprises to improve the quality of products and adopt modern business practices.

FDI has contributed to export growth and government revenue. Over 2001-2005, the turnover of FDI enterprises (excluding oil) was 2.5 times higher than the previous period; exports (also excluding oil) were 3 times higher, accounting for over 30% of total export turnover, the contribution to budget revenues doubled, accounting for around 5% of total budget revenue. Around 860,000 jobs were created in FDI enterprises, an increase more than double than in the period of 1996-2000.

## **SUSTAINABLE DEBT MANAGEMENT**

By the end of the 1990s, the external debt burden had decreased substantially. The negotiations to settle outstanding debts, mainly from the war period, to Russia, Poland, Czech, Slovakia, Bulgaria, Hungary and Germany, contributed to the decrease.

At the same time, with international support and advice, the Government of Viet Nam has implemented projects to strengthen the capacity of external debt management.

In addition, Viet Nam has made great efforts to improve the financial situation of state-owned enterprises to sounder financial conditions for development, including debt cancellation and debt rescheduling. Other steps include measures of restructuring of SOEs, including the dissolution of poorly performing enterprises, support for the private sector, and in general policies to improve the investment environment. The intention is to further amend laws government foreign and domestic enterprise, to unify their provisions and to ensure equal treatment of all sectors.

Viet Nam welcomes moves by donor community to reduce debt for the 27 highest indebted poorest countries (HIPC) with the total debt of USD 40 billion. In order to achieve MDGs by 2015, creditor countries need to make even greater efforts to create favorable conditions for the economic growth of HIPC countries, to improve debt ratio and towards total cancellation of debt. (Report of the UN General Secretary dated March 21, 2005 "In Larger Freedom: Towards Development, Security and Human Rights for All").

## **INTERNATIONAL SUPPORT FOR EMPLOYMENT CREATION FOR YOUTH**

Every year there are more than 1 million people joining the Vietnamese labor force. This places a heavy responsibility on the Government to generate employment opportunities. Viet Nam programs on labor and employment implemented during 1996-2000, and on poverty reduction and job creation implemented during 2001-2005 concentrated on solving problems of labor and employment.

With support from international organizations, especially from International Labor Organization (ILO), Viet Nam implemented a pilot program for youth employment for the period 2004-2006 to assist youth to enhance their skills and improve their employment opportunities. Recently, the Government assigned the National Youth Committee to coordinate with line ministries and the Youth Union to develop a strategy of youth development for 2006-2010.

Formal labor market institutions have been gradually developed. During 2001-2005, nearly 200 job consulting centers and around 1,000 employment agencies were established to assist youth seeking job opportunities.

At the same time, great attention has been paid to global employment opportunities. On the one hand, Viet Nam encourages transnational companies and foreign investors to open business in Viet

Nam and organize job training for youth to equip them with the knowledge to take up employment opportunities; on the other hand, Viet Nam seeks to take advantage of international employment opportunities by establishing vocational schools in preparation for participating in oversea labor markets. As a result of these various efforts the skills of the labor force are steadily improving.

## **SUPPLY OF ESSENTIAL DRUGS**

Viet Nam has made great efforts to produce medicines locally. During the last four years 2001-2004, domestic drug production has rapidly increased by about 15 percent per year. At the same time, Viet Nam has also encouraged foreign investors to produce drugs locally.

Currently, Viet Nam has around 40 drug factories producing to GMP standards, turning out 6,000 pharmaceutical products and essential drugs against a total of 110,000 pharmaceutical products sold in the market. Viet Nam has had about 700 companies licensed to import new medicines.

## **DEVELOPMENT OF NEW TECHNOLOGY, ESPECIALLY INFORMATION AND COMMUNICATION TECHNOLOGY**

In 2001, Viet Nam adopted a plan of action on information technology for the period 2001-2005. Annual growth in domestic computer market has reached 25%. Growth in Internet usage in Viet Nam is explosive, with more than 4.5 million users in 2004 (an estimated 2.5 fold increase compared to 2003). The level of use is now nearly equivalent to the average proportion in Asia. The number of Internet subscribers is estimated to have increased from 466,000 to 1.12 million. An Asynchronous Digital Subscriber Loop network (ADSL) has been in use since 2003, contributing to an increase of Internet subscribers. ADSL services have been supplied in 17 provinces/cities.

Telecommunications have also developed strongly. In 1995, fixed telephone subscribers were only 1/100 people. By the end of 2004, this ratio was 13/100. The telephone network of Viet Nam Post and Telecommunications (VNPT) reached more than 10 million subscribers of whom over 4.6 million are mobile subscribers. All communes now have telephones.

Viet Nam has also cooperated with both domestic and foreign enterprises to develop communication networks. There are several new mobile networks, such as Sfone (2002) and Viettel (2004) that have contributed to the increase in the number of mobile subscribers.

### **2. Challenges**

## **BIASES IN THE MULTILATERAL TRADING SYSTEM**

The existing multilateral trading system was developed mainly to serve the interest of the developed countries, with developing countries having little to say in the process of establishing legal framework for the system. The development of a more transparent, equal and predictable trading system is an important goal for Viet Nam and other developing countries.

Developing countries hoped that Doha round would deal with such issues as opening of agricultural markets, a fair system of Trade Related Intellectual Property (TRIPs) and Trade Related Investment Measures (TRIMs), and the enforcement of Uruguay round issues, and issues raised in the Singapore WTO negotiation, along with other development issues. However, negotiations have been progressing very slowly and have not produced results, due to differences between developed and developing countries in many fields of negotiation.

There are a number of conflicts within WTO which need to be resolved including: (i) solving problems related to the enforcement of WTO agreements before going to negotiation of new issues or commitments; (ii) implementation of provisions for special and different treatment for developing and less developed countries (S&D); and (iii) providing countries in accession negotiation process with necessary technical support. If these are not achieved, results from the Doha round will pose new challenges for countries that have been undertaken accession negotiations which have to fulfill both accession commitments and new obligations. This not only limits the capacity to take advantage of new opportunities provided by WTO but also will result in developing countries lagging even further behind in economic development.

Many developed countries apply non-tariff barriers, including quotas, agricultural export subsidies, and other barriers for goods from developing countries to penetrate international markets.

In addition, bilateral and regional free trade agreements, especially amongst developed countries present challenges signatories, include Viet Nam, with the needs to strengthen competitiveness, placing pressure on the economies of developing and least developed countries. In general, the requirement of international trade presents difficult and ongoing challenges to the Vietnamese economy. Other challenges include increased technical barriers to trade; the weak competitive capacity of Viet Nam. The quality of export goods still need to be improved to meet technical requirements in developed countries markets. The risks of market and price fluctuations are still high. The domestic capital market is still in its infancy. All these limit the capacity to attract foreign investment.

## **CHALLENGES IN DEBT MANAGEMENT**

International financial conditions pose high risks for the weak economies of developing countries. Many developing countries do not benefit from FDI flows which mainly go to developed countries and only a few developing countries. Portfolio investment into developing countries is limited and can be a source of serious instability.

According to the United Nations, committed ODA is well below the target of 0.7 percent of developed countries' GNP. In order to achieve the MDGs by 2015, it has been estimated that ODA needs to increase from USD 65 billion in 2002 to USD 73 billion in 2006 and USD 135 billion in 2015.<sup>13</sup>. Moreover, conditionality often undermines the capacity of recipient countries to take the initiative to efficiently solve their own problems.

## **COOPERATION TO DEVELOP AND IMPLEMENT THE EMPLOYMENT STRATEGY FOR THE YOUTH**

The vocational training system of Viet Nam is under-developed and has not kept up with the requirements of industrialization and modernization. The workers are small in number. There are insufficient highly skilled workers to meet the requirements of high technology sectors. Labor productivity is lower than that of key competing developing countries. Competitiveness needs to be increased in international and regional labor markets and domestic labor market need to be further developed.

## **COOPERATION WITH THE PRIVATE SECTOR ON TECHNOLOGY TRANSFER, ESPECIALLY IN INFORMATION TECHNOLOGY AND COMMUNICATION**

The technology gap between Viet Nam and developed countries is still very great. While Viet Nam's standard of information technology and communication is in line with international average standards, information technology is concentrated in the big cities. For example, telephone charges are still high in comparison with countries in the region. In 2004, subscriber fees and cost of using Internet and communication facilities decreased slightly, but remains higher than other countries in the region, limiting access to information technology in rural and remote areas.

### **3. Measures**

Viet Nam will continue to accelerate a comprehensive international economic integration process, creating a stable, equal and transparent business environment to enhance efficiency and competitiveness. Specific plans of action for revisions of laws and regulations will be implemented to create favorable conditions for WTO integration.

In general stable macroeconomic conditions, including a healthy finance and monetary system will be maintained to strengthen financial position of the country. Efforts will be made to increase the

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<sup>13</sup>Reported by expert group of United Nations, Prof. Jeffrey Sachs, title "Investment for the development, the plan to gain MDGs, Chapter IV, page 240.

rates of investment and domestic savings, supported by the development of the capital market and channels of capital mobilization. At the same time, efforts will be made to manage domestic and international debts prudently and to use loans effectively to improve economic competitiveness.

Strong efforts will be made to develop education and training in technology and science, health care and other activities to enhance the quality of human resources

Cooperation with developed countries will aim to develop and implement a strategy on good quality employment for youth, to develop vocational training particularly in high technology skills towards meeting the demand of industrialization and modernization of the country.

Efforts will be made to access and improve competitiveness in international and regional labor markets and to train labor and highly qualified consultants to join the global employment market.

Information technology and computerization will be promoted to develop an “information society” Incentives and other will aim to create favorable conditions for access to information technology; to encourage foreign investment in high technology; and to upgrade information infrastructure. Support will be sought from international donor community to implement projects to universalize Internet and information technology, especially for people in rural and remote areas.

**PART TWO:**  
**VIET NAM'S DEVELOPMENT GOALS**  
**IN SUPPORT OF THE ACHIEVEMENT OF THE**  
**MILLENNIUM DEVELOPMENT GOALS**

In support of the MDGs and to meet the country's development needs, Viet Nam developed its own 12 development goals (VDGs). This part presents the performance in achieving 6 VDGs, which are supplementary to the MDGs.

**1. Support for MDG of Eradicating Extreme Poverty**

**PROGRAMS TO PROVIDE ESSENTIAL INFRASTRUCTURE AND  
SERVICES TO POOR RURAL COMMUNES AND THE URBAN POOR**

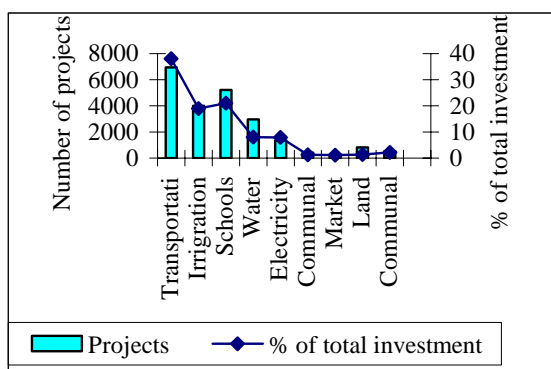
*Achievements*

Viet Nam has implemented a vigorous program to address the needs of the most disadvantaged communes, and particularly the needs of ethnic minority communities.

From 1999 to 2004, public investment of around VND 8.9 trillion built essential infrastructure for poor regions and communes, supporting small-scale irrigation, school and health facilities, rural roads, electricity, water supply, market centers; upgrading roads linking poor regions and poor communes with more developed centers in order to create more favorable conditions for these poor areas to develop themselves. By the end of 2004 combining resources from different sources (ODA, private investments, contributions of individuals, organizations and beneficiaries etc.) these poor communes managed to complete and begin operating more than 22,000 infrastructure projects (see Chart II.1.1). Specifically in the communes identified as extremely disadvantaged:

- 2,306 (97% of the total) were provided with roads to communal centers which are accessible to motor transport.
- 90% of these communes have small-scale irrigation works, which provide water to more than 40,000 hectares of 1 or 2 rice crops.
- There is now a health clinic in every district and health center in every commune. Community-based health services are available to most villages, controlling many dangerous diseases (e.g. leprosy, malaria, goiter etc.) and improving living conditions improved. There are trained health workers in every communal health center. Some centers even have doctors and sufficient medicines to provide primary health care services to ethnic minority communities.
- 90% of the communes have primary schools, nursery schools and kindergartens. 92-95% of school-age children attend schools. 80% of the communes have lower-secondary schools, built from permanent materials. There have been widespread improvements in teaching materials and the quality of teaching. There are upper-secondary schools in every district and in some remote or mountainous districts, boarding facilities have been provided for ethnic minority students. Universal primary education has been achieved in many areas, and in some universal lower-secondary education.
- There are now improved permanent market places serving 36% of these communes. Ethnic minority people in remote and disadvantaged areas have improved trading opportunities allowing them to produce for the market to improve their living standards. Most market places are close to local post offices, cultural, agricultural and forestry extension centers. As such they serve not only as trading centers but also as places for cultural exchange and meeting places for ethnic minority people.

**Chart II.1.1: Completed infrastructure projects and investment shares in disadvantaged communes**



Source: Committee on Ethnic Minorities.

- There are post offices and cultural centers in nearly 70% of the communes. Telephone networks extend to all mountainous, remote and isolated districts. More than 70% of communes are connected to the telephone networks.
- 90% of the communes have broadcasting stations that provide timely information on the government policies as well as knowledge on production and markets, on appropriate cultivation methods, etc. Broadcasts in ethnic languages are received with enthusiasm.
- By the end of 2004, the national power grid reached 900 poor communes. All districts and 90% of communes throughout the country have electricity. Investments have been made in small-scale hydro- and wind and solar power. More than 60% of the households living in ethnic minority areas have access to electricity; many provinces have achieved electrification in all of their communes.
- 65% of the communes now have clean water supplies and more than 70% of the households have sufficient water, half of which have access to safe water. In poor urban areas special attention is being directed to water supply and sanitation.

These programs have brought significant improvements to extremely disadvantaged communes, raising living standards of ethnic minorities and increasing their educational level. Poverty rates have been reduced sharply in these communes - from 50-60% in 1998 down to 23.5% in 2004.

The government has also implemented infrastructure development programs for urban poor areas aiming at improving the living standards of the poor, including low-income housing; slum clearance; safe water and electricity provision, vocational training and employment assistance and access to preferential credit for doing business.

### *Challenges*

However, poor people in extremely disadvantaged communes and poor urban areas still face great challenges, starting from low levels of economic development, facing difficult geographical conditions, transportation that is still inadequate, and in many areas suffering natural disasters, these generating a high risk for people in those areas falling back into poverty.

### *Measures*

In the coming years Viet Nam will continue implementing specific policies for extremely disadvantaged communes and the urban poor to improve their living and educational standards, narrow the gaps and inequality among ethnic groups, regions as well as among intra-regional low-income groups.

## **EMPLOYMENT**

### ***Achievements***

The success of growth and employment policies has generated an increase in jobs from 36.2 million in 2000 to 41.2 million in 2003 - an average annual growth of 4.4%. The non-state sector created

most employment opportunities - around 89% of employment is now offered by the non-state sector. Over 2001-2004 1.2-1.6 million new jobs were created each year while the Viet Nam increased by 1.4-1.5 million people per annum (see Table II.1.1).

**Table II.1.1: Employment situation during 2000-2004**

Indicator	Unit	2000	2001	2002	2003	2004
Annual total number employed	million	36.2	37.6	38.7	41.1	42.3
Total number employed in the non-state sector	million	32.3	33.6	34.9	35.0	
Total new jobs created annually	million	1.2	1.4	1.6	1.5	1.5
Percentage of trained workers on total employed	%	15.34	16.76	18.73	21.15	25.5
Working time utilization of labor force in rural areas	%	74	74.3	75.4	76.5	78.3
Unemployment rate in urban areas	%	6.28	6.01	5.78	5.60	5.4

Source: Ministry of Labour, War Invalids and Social Affairs 2005

Table II.1.2 shows that the share of labor involved in agriculture has decreased over 5 years (2000-2004), from 62.6% to 58.6%.

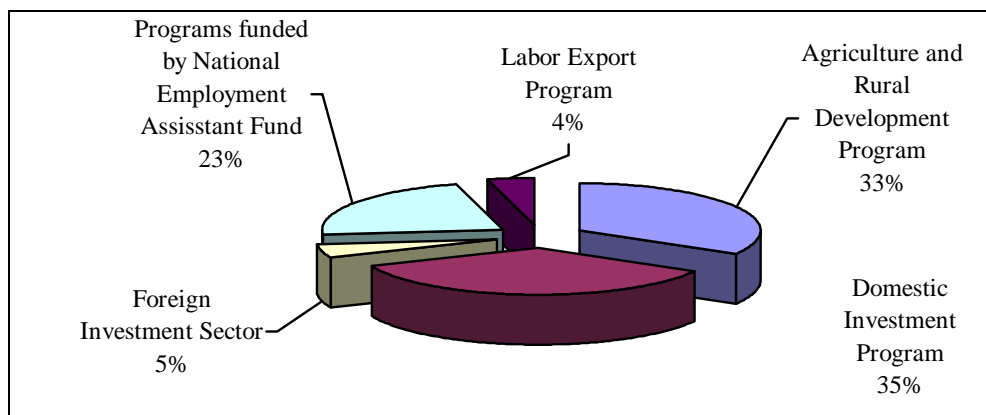
**Table II.1.2: Labor force by sectors 2000-2004**

Sector	2000	2001	2002	2003	2004
<b>Total annual labor force (%)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Agriculture, forestry and fisheries	62.61	67.2	66.1	61.3	58.6
Industry, construction	13.10	12.6	12.9	15.7	17.4
Services	24.28	20.2	21	23	24

Source: MOLISA 2005

The group aged 15-34) account for half of the total labor force. Vocational training has been expanded, particularly for workers in industrial parks, export processing zones, special economic areas and labor export.

**Chart II.1.2: Total new people employed by sectors and programs in 2004 (%)**



Source: Ministry of Labour, War Invalids and Social Affairs 2005

### **Challenges**

Challenges include continuing unemployment in rural areas, particularly in regions with very low levels of production under mono-culture, or in regions where land has been taken out of agricultural production but farmers have not yet been able to find new forms of livelihood.

There are still a too many unqualified or inadequately trained workers, lacking skills to compete in the labor market. At some levels employers have had to hire better qualified and more skilled foreign workers. Government's coordinating role in labor is poorly developed.

### **Measures**

Legal changes will seek to improve the balance in bargaining power between employers and the employed, deal with Vocational Training, Minimum Salaries, Social Insurance, Labor Export, and in general, to revise the Labor Code, etc. to improve conditions for workers.

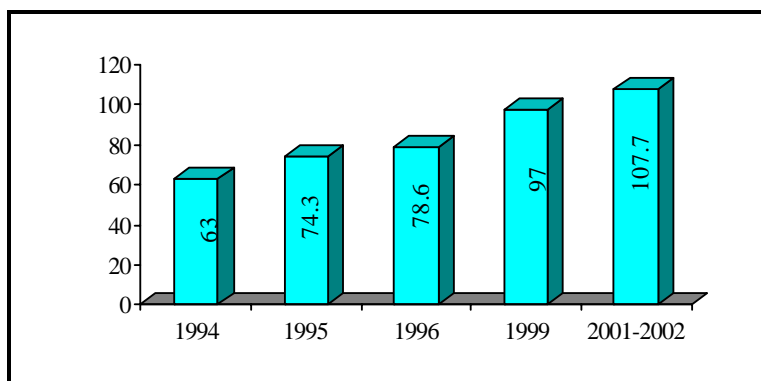
## **REDUCING VULNERABILITY AND DEVELOPING SOCIAL SAFETY NETS TO SUPPORT THE POOR AND THE VULNERABLE**

### **Achievements**

Households in the lowest quintile of expenditure live mainly in the North West, North East, North Central and Central Highland regions, regions with highest incidence of poverty, and at the same time areas in which ethnic minorities are concentrated. Average monthly income in this quintile has gradually increased; from VND 63,000 per capita in 1994 to VND 97,000 in 1999, and VND 107,700 in 2001-2002 (see Chart II.1.3).

**Chart II.1.3: Monthly per-capita income of the poorest quintile 1994-2002**

(Thousand VND)



## IMPROVED ACCESSIBILITY OF THE POOR TO BASIC SERVICES

- Health care: The percentage of poor people provided with free health care cards and health insurance cards increased from 77% in 2003 to 88% in 2004. Public health expenditures were increased and health care facilities for poor people were improved. Services were supplied to more than 80% of the poor living in rural and mountainous areas.
- Education: more than 3 million poor and ethnic minority students were exempted from or paid reduced tuition fees, and 2.5 million students provided with textbooks and notebooks. This policy has brought positive results in reducing the burden of educational expenditure and cutting the drop-out rate.
- Housing and living conditions: policies increase access to land for cultivation and housing have been implemented. It is estimated that by the end of 2005, about 400,000 poor families will have received financial support to improve their houses, and in 5 provinces and 2,000 communes temporary housing in slums will have been eliminated<sup>14</sup>. Most provinces have active housing programs. Some provinces applied one-off support for building/ repairing houses and providing roof materials. Some provinces in the Mekong Delta region, which are prone to flooding, provided loans with low interest rates for construction in flood-proof residential areas. In some provinces in the Central Highlands loans financed house purchase on instalments.
- Concessional credits for the poor: providing credit to help the poor develop businesses is considered one of the most important measures to reduce poverty. The Social Policy Bank (SPB) is the key formal financial institution in implementing this policy. The bank applies flexible loan conditions – a poor family can get a maximum loan of 7 VND million for 1 to 5 years, with very favorable interest rate of 0.5% per month.

By 31 December 2004, total outstanding lending to poor households was 11.5 trillion VND with 2.5 million households receiving loan from the SPB. Cumulatively, in the period 2001-2004 the Bank extended loans to 3.6 million households. Average loan size increased to 3 million VND in 2004 from 2.2 VND million in 2001<sup>15</sup>. At the moment, 75% of total poor households or 15.8% of total households in the country have access to subsidized credit. In poor provinces such as Kon Tum, Ha Giang, Tuyen Quang, Lao Cai, and Son La where ethnic minorities are concentrated special efforts have been made to provide loans with subsidized interest.

- Most of poor households used loans effectively and paid back promptly – overdue rates of overdue loans were below 4%. Providing loans through trusted local institutions such as credit institutions, mass organizations and “self-help groups” helped create mutual support among the borrowers, reduced over-due loans and resulted in more effective use of loans

More than 50% of poor borrowers were of an opinion that the credit helped them a great deal in improving family's income and reducing poverty. The borrowers could use their loans to purchase materials and animals such as buffalos, cows, horses...

- Cultivable land support: To ensure food security in the Northwestern and Central Highland regions, the government issued a decision to provide ethnic minority households in the Northwest and Central Highlands with cultivatable land. By mid-2003, about 10,500 households received over 5,000 hectares. In addition, provinces in the Mekong Delta region such as Dong Thap, Tra Vinh, Soc Trang provided financial support to 4,300 poor families to regain their land, which had been sold or mortgaged.

Other support policies included agricultural extension, provision of productive support credit, exemption from agricultural land use taxes, etc. Cultivable land support policy alone would

<sup>14</sup> At the end of 2001, there were about 900 poor families living in temporary houses, which were built of bamboos, leaves, and were tottering, dilapidated and unsafe in storm season.

<sup>15</sup> Social Policy Bank: Report on Credit for the Poor Program, 2004

not be enough if poor families did not make effective use of land as in time of difficulty they would even have to sell their regained land and would become landless as before.

- Settlement projects: over the past years, more than 200 settlement projects were implemented in 40 provinces for 90,000 families with total capital expenditures of 480 VND billion. In addition to the central government budget, many provinces also used their budgets for these projects. Activities included re-forestation, planting industrial crops, building roads, small-scale irrigation works, water supply systems, school, health facilities and power stations, supporting more than 50,000 families.
- Agriculture-forestry-fishery extension for the poor: provinces paid more attention to developing production models to promote modern cultivation and protection techniques, new varieties of crops and animal husbandry. More than 50,000 training courses were conducted for over 2 million poor people. At present, there are 486 district level agriculture stations, over 2,000 extension clubs, over 1,000 co-operatives involved in agriculture extension services and nearly 6,000 extension staffs across the country.
- Production support policy: by the end of 2004, there were 103 models of processing and preserving agricultural and forestry produce, and of small-scale industry development at household and inter-household level in 37 provinces. 106 training courses were organized for 9,000 farmers on small-scale preserving and processing of agricultural produce. In some regions, projects helped to set up productive co-operatives which cooperated with local businesses in selling their products.
- Expansion of formal and voluntary social safety nets
- Social insurance: by the end of 2004, in Viet Nam there were 10 million workers participating in the compulsory social insurance. Some provinces have established and operated social insurance for non-state enterprises and farmers. In parallel with formal social insurance, several informal insurance projects have been piloted, covering 265 villages in 29 districts providing services to about 200,000 rural workers.
- Social welfare/regular support: by the end of 2004, in Viet Nam there were 957,000 people eligible for social support, 540,000 needing monthly social support to survive. These people are provided with health insurance cards or free health care certificates. Children of these groups either enjoy free or reduced tuition; many receive free textbooks and stationery. Handicapped children can attend special schools with full scholarships and allowance grants. Throughout the country, there are 317 social protection and charity centres, of which 179 are state-run centres, 19 centres run by voluntary societies and 119 centres run by individuals, enterprises or non-governmental organisations, where extremely disadvantaged people receive care. Approximately 25,000 people, including lonely elderly, handicapped people, orphans and homeless are in these centres.
- Developing social charity funds: from 2001 to 2003 more than 220,000 handicapped people received assistance from the *Fund to Assist Agent Orange Victims*. The *Day for the Poor Fund* assisted in building nearly 300,000 houses and directly assisted thousands of poor people in improving their life, education and health care.
- Health insurance: in 2004, nearly 16 million people participated in health insurance schemes accounting for 15% of total population of Viet Nam, of which 6.56 million people took part in compulsory health insurance, and 6.43 million people joined in voluntary health insurance (28% increase over 2003).
- Child labour and street children: children should be protected from commercial exploitation and sexual abuse. In 2004, there were about 2.6 million children in extreme difficulties. The number of orphans that have been taken care of by government and society accounted for only 55% of the total orphans in the country. Around 25% of handicapped and 75% of seriously handicapped children and two thirds of homeless and street children received various forms of care. All orphans and handicapped, disabled children have tuition free or reduced schooling charges.

Also in 2004, over 900,000 children were granted with health insurance cards or free health care certificates; 352,000 children enjoyed hospital fee exemptions or reductions; 12,800 children and

4,000 handicapped children attended vocational schools. In addition, ten of thousands of children were also taken care of by communities, international organisations and other voluntary agencies.

- Natural disaster prevention and mitigation, reducing the rate of poor people falling back to poverty due to natural calamities and other risks: the rate of poor people falling back to poverty caused by natural calamities (mainly storms, floods and drought) remains high - about 35,000 households; nearly 200,000 families needed emergency food aids, mainly in Central Highlands and Central Viet Nam, sometimes in Mekong River Delta.

Over the past few years, although the frequency of disasters did not fall, the damage caused in 2001-2004 was much less serious than in 1997-2000 thanks to improved emergency preparedness. 1,760 deaths were caused by natural disasters in 2001-2004 compared with more than 3,400 people in 1997-2000; the number of injured people also decreased, to 1,300 people from 3,700 respectively; and the number of collapsed houses reduced to 34,000 from 169,000, respectively.

International financial organizations provided assistance to emergency preparedness activities including support to the early warning system, the system on flood information, and to preparation of emergency plans. Specific projects such as the System on Flood and Storm Warning, establishment of the Natural Calamity Control Board and Natural Calamity Prevention Training Task Force, development of long-term measures to mitigate flood damages, etc. were implemented.

#### *Challenges*

The income instability of poor households resulting from such risks as illness of a family member, fluctuating prices, or natural disasters, etc. can affect their life badly. There is still limited access to social basic services (health care, education, safe water, social safety nets, production services, etc.) Problems such as child labor, homeless and wandering children have not been addressed adequately and effectively.

#### *Measures*

The government will focus on implementation of measures to increase the productivity of poor households, such as providing poor people with cultivatable land, productive tools and techniques, management skills, etc. Investments will be made in infrastructure and policies implemented to provide the poor with better access to public services. Social safety nets will be strengthened, in particular social and health insurance.

## **2. Support for the MDG of Sustainability**

### **CULTURAL AND INFORMATION DEVELOPMENT**

#### ***Achievements***

From 1996 to 2004 the government put great effort into implementation of the National Targeted Program on Cultural and Information Development, creating favourable conditions for people to improve their social life, access information on legal matters, combat social problems, promote good traditions such as providing support for people in need, and building “model families, villages and residential areas”, etc.

In 2004, the number of families officially recognized in Viet Nam as “model families” increased to 12 million (or 67.1% of total) compared with 8.2 million families (45.7%) in 2001, with 38% of villages and residential areas throughout the country gaining status at the end of 2004. A movement on building a new life in residential areas has been launched, particularly in some provinces such as Bac Ninh, Hai Phong, Binh Dinh and Dak Lak in which almost all residential areas participated. The movement improved community life, in particular in relation to stable security, improved community solidarity, reductions in illiteracy and poverty, cleaner environment, better transportation, and public awareness on civil obligations, laws and policies.

Building communal cultural centers received more attention - by the end of 2004 over 4,400 cultural centres (41% of total number of communes) were built or upgraded.

**Table II.2.1: Building Model Family-Village-Residential Area in 2001-2004**

	Unit	2001	2002	2003	2004
Families	thousand	8,234	9,601	10,955	12,091
Villages	villages	17,527	21,759	24,551	31,494
Residential areas	areas	5,914	6,821	6,002	10,308
% of families	% of total	45.7	53.3	60.9	67.1
% of villages	% of total	21.3	26.0	27.8	38.0
% of communes with cultural houses	% of total			31.0	41.0

Source: Ministry of Culture and Information 2005

The radio and television broadcast networks have been expanded with a range of diversified programs meeting the needs of different audiences. The quality of programs has also been improved, with more radio and television channels, more programs available including those in ethnic minority languages. The Voice of Viet Nam broadcasts daily on 6 frequencies, including broadcasts in 8 ethnic minority languages. Ethnic minority language broadcasting has been improved in terms of both programs and length.

### ***Challenges***

The quality of cultural activities is not high. Some cultural movement activities are formalistic and creative. There are still significant gaps in cultural development between regions. People living in far and remote areas have limited access to cultural events. Management in social and cultural matters is inadequate.

### ***Measures***

Priority will be given to the development of community cultural institutions (village cultural houses, regional cultural centers; museums, libraries, theaters, parks, entertainment areas, etc.). Greater efforts will be made to preserve historical and revolutionary relics and special national cultural heritages. Pilot efforts will be made to preserve typical traditional features of the villages of different ethnic groups.

## **IMPROVE LIVING STANDARDS, PRESERVE AND DEVELOP ETHNIC MINORITY CULTURE**

### ***Achievements***

Under a series of Prime Minister's decisions on socio-economic development for the Central Highlands, the Mekong River Delta and 6 extremely disadvantaged provinces of Northern Mountainous Region, a number of essential infrastructure projects (transportation, irrigation, water, schools, health clinics...) are build quickly to improve the productive activities and living conditions of ethnic minorities.

Preservation and development of ethnic minority's culture has received increasing attention through such activities as building or repairing communal cultural houses, broadcasting radio and television programs in ethnic minority languages. Since 1997, Radio the Voice of Viet Nam has produced over 4,000 specific programs for ethnic people in 5 languages - H'Mong, Kh'mer, Ede, G'rai, and Bana. The Radio has added Thai and K'ho ethnic language programs since 2000.

As stated elsewhere in this poverty report, poverty in the disadvantage areas has been reduced. The number of public servants from ethnic minorities working in local government apparatus has increased, with local governments paying attention to strengthening their ethnic minority cadres. Public administrative reforms and training activities helped improve the skills of local public servants, especially those from the ethnic minorities.

Currently, there are 86 National Assembly ethnic minority deputies (17.27% of total number of deputies) representing 32 ethnic minority groups. 63 out of 578 (10.9% of the total) members of Provincial People's Committees Term 2004-2009 are ethnic minority, more than in Term 1999-2004. Similar representation is recorded in lower local governments – District and Commune.

There are now 30 ethnic groups that have written scripts, both ancient script and Latin-based ones; 25 provinces organize training in ethnic languages; the Ministry of Training and Education currently sets of textbooks in 8 different ethnic languages.

In many ethnic regions, languages such as Kh'mer, Cham, Hoa, Ede, Bana, G'rai, H'mong are being taught in primary schools; Kh'mer and Hoa in lower and upper secondary schools. Kh'mer, Hoa, Mong, Bana, G'rai, Cham, K'ho are being taught and spoken in local government offices and public organizations.

In the school year of 2004-2005, nearly 500 schools of all education levels with 100,000 children and 2,200 teachers had ethnic minority language lessons.

### ***Challenges***

Ethnic minority and mountainous areas are still lagging behind other regions in development, and the gap between the regions is growing. Poverty rates and the risk of falling back into poverty remain high.

Issues related to settlement and land access need to be addressed for 1,307 communes, 6,635 villages and about 1.5 million people.

### ***Measures***

Efforts will be made to continue policy development to support poor ethnic minority people in production, trade and bringing their produce to market. Poverty reduction policies will be developed to better reflect local realities. Investments on essential infrastructures (transportation, irrigation, water, schools, health clinics, communication) will continue.

Improvements will be made in the planning process for the resettlement for ethnic minorities. More vocational training courses will be offered and employment services improved. Traditional village handicrafts will be revived and improved to stimulate production for the market. More jobs will be created and priority given to ethnic minorities in public employment. Budgetary priority will focus on development of education, health care services, culture, and information in mountainous and ethnic areas.

## **STRENGTHENING ADMINISTRATIVE REFORMS AND PROVIDING LEGAL KNOWLEDGE TO POOR PEOPLE**

### ***Achievements***

The Government Grassroots Democracy Decree promoted popular participation and official accountability at the Commune level. It aims to mobilise popular participation in economic development, to improve livelihoods, and to contribute to poverty reduction. The Decree follows the slogan “people know, people discuss, people do and people oversee”. It specifies that i) Commune People's Councils and Committees have to provide timely information on public policies and programs; ii) consult with people before making decisions; and iii) ensure oversight by people.

By the end of September 2004, all communes and towns in Viet Nam reported on their implementation of the decree. People can exercise their democratic rights - request information from local government's officials, discuss and make comments and participate in decision making processes in communes. They inspect activities in public organisations and projects. Very positive results have been observed during the implementation of the decree, improving local governance.

In order to ensure the effectiveness of this regulation, especially in poor areas and poor communities, great efforts have been made to implement the following:

- Increase the number of communes with poverty reduction staff: currently, all communes have at least part-time staff in charge of poverty reduction. These officials are considered the core force to drive poverty reduction activities throughout the country.
- Increase the number of communes that provide poverty information to people. One of the most important factors to ensure grassroots democracy is that communal authorities inform their people on government laws and policies that directly relate to their rights and benefits in a timely and transparent manner. People need to know about poverty-related investment programs and projects including program/project objectives, targets, resource commitments, timing of expenditures; and beneficiaries' rights and obligations.
- People should discuss and decide what projects they need to build and level of contribution (in kind or in cash). They should also monitor the implementation of projects and operation and maintenance once the projects are completed. Through such means, great deals of local resources have been mobilized from project implementation.
- Increased number of communes that have legal bookshelves and provide legal support to the poor. At present, all provinces and cities have established legal bookshelves. By August of 2003, 10,618 communes and district towns (99% of the total) have established legal bookshelves; 51 out of 64 provinces and cities have deployed legal bookshelves to 100% of their communes, and the remaining provinces achieved above 90%. More than 90% of bookshelves are managed by full time staff<sup>16</sup>. The bookshelves are organised as follows: (i) kept at communal cultural-functioned post offices; (ii) kept in communal cultural houses, church's and pagoda libraries Mobile legal support staffs travel between villages to help people understand laws and regulations.

The content of disseminated information includes important legal documents relating to daily life and new regulations and policies adopted by central and local authorities. Information dissemination has been carried out in different forms such as: direct sharing at local meetings, broadcasted through local public radio facilities, pamphlets, leaflets, legal study contests, legal support activities, school lessons, legal clubs, etc.

### ***Challenge***

The implementation of the grassroots democracy regulation is still incomplete; popular participation the administrative process, especially in monitoring and inspection, is still limited; consultation with people before adopting a new policy at local levels has been far from universal. Awareness of democracy among some people, public servant and leaders is also limited. Dialogue with local people is often formalistic and ineffective. The content of information disseminated is still of low quality. Legal training and information dissemination still faces many difficulties.

### ***Measures***

Continue to raise the awareness of all people and civil servants of democracy and democratic practices.

Efforts will be made to strengthen training and information dissemination about Grassroots Democracy and the capacity to implement the Grassroots Democracy Decree at commune and village levels.

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<sup>16</sup> Source: Ministry of Home Affairs (2003a)

## **PART THREE: LESSONS LEARNT**

### **1. Lessons Learnt**

During the course of Doi Moi reform process and through the implementation of MDGs, Viet Nam has learned valuable lessons. They are:

### **CONTINUING DOI MOI AND REFORMING ECONOMIC INSTITUTIONS ARE KEY IMPORTANT PREREQUISITE FOR CONTINUING ECONOMIC GROWTH AND SOCIAL PROGRESS**

The recent socio-economic achievements of Viet Nam are the results of the Doi Moi initiated in 1986, resulting in substantial reforms in all respects of the socio-economic life of the country. The socialism-oriented market economy has been gradually developed. Many new policies and institutions have provided an appropriate environment to stimulate economic growth, promote social welfare and ensure environmental protection.

Renovating economic institutions brought about new development opportunities and expanded the choices open to the people, freeing productive and creative energy, stimulating the drive for better living conditions. The resulting economic growth has generated fast growing household incomes and budget revenues.

The MDGs initiated by the UN and integrated with the Viet Nam Development Goals Targeted programs have been implemented and supervised by the community.

As a result, more resources have been mobilized to pursue national socio-economic development goals, especially in health, education, social development and poverty reduction programs.

### **MAKING FULL USE OF INTERNAL RESOURCES**

Over the past years, many policies were implemented to mobilize resources for development.

Total investment mobilized in 2001-2005 period reached 35-36% of GDP. A significant part of Government's funds have been focused on the MDGs such as: hunger eradication, poverty reduction, improvement of human resources through universal primary and secondary education; health care development, improvement of maternal and child health; prevention and control of HIV/AIDS and other communicable diseases; environmental sustainability, etc.

Viet Nam has particularly focused on the use of domestic resources, seen as a determining factor for development. Mobilizing internal resources involves making full use of national human resources and domestic financial resources in combination with effective utilization of natural resources. Only if internal resources are to be mobilized, could external resources be attracted and effectively utilized.

The key point is that economic policies aimed to tap the potential of all sectors, including the private sector - a huge resource of the country - and gradually to involve the community in the financing of cultural and social activities. The VDGs and MDGs have been implemented more effectively with the popular support and contributions.

**ACTIVE INTEGRATION INTO THE INTERNATIONAL ECONOMY,  
EXPANSION OF EXTERNAL ECONOMIC RELATIONS, AND  
ATTRACTION OF MORE EXTERNAL RESOURCES ARE  
REQUIREMENTS FOR SOCIO-ECONOMIC DEVELOPMENT AND FOR  
ACHIEVING THE MDGS**

In the last five years, Viet Nam achieved remarkable progress in regional and international economic integration, widely expanding its trading links, attracting foreign investment, advanced technologies and management skills, and promoting the shift in economic structure towards industrialization, modernization and improving the effectiveness and competitiveness of the economy.

In the process of opening up and integrating into the international economy, attention has been paid to enhancing competitive advantages of each sector and to developing highly competitive products. Also, the development of domestic markets has been combined with the expansion of external markets; ensuring goods are readily traded in domestic markets, even in remote areas.

ODA funds have been used with increasing effectiveness help create a conducive environment for investment and growth and for achieving the MDGs. In particular, ODA has had positive impacts on poverty reduction, infrastructure construction and improvements in poor areas.

**LINKING ECONOMIC DEVELOPMENT WITH CAPACITY  
STRENGTHENING, ENHANCING SOCIAL WELFARE, IMPROVING  
LIVING CONDITIONS AND STANDARDS OF ALL PEOPLE ARE  
ESSENTIAL TO EFFECTIVE IMPLEMENTATION OF THE MDGS**

In its socio-economic development strategy, as well as sectoral and regional development strategies, Viet Nam always puts people at the center, considering them the motive and objective of development, linking economic growth with social progress and equity, cultural development and environmental protection: widening opportunities and at the same time, creating new capacity for people to grasp and make use of those opportunities.

Experience in Viet Nam reveals that while shifting to the market economy, it is necessary to pay great attention to social welfare, employment, poverty reduction and hunger eradication, education and culture development, and healthcare. Active participation of the State and involvement of the entire society are necessary inputs to successfully implement these tasks.

**RENOVATING ORGANIZATIONS, IMPLEMENTING ADMINISTRATIVE  
REFORMS AND BRINGING DEVELOPMENT STRATEGIES TO THE  
PEOPLE FOR DISCUSSION TO OBTAIN CONSENSUS AND  
COOPERATION IN IMPLEMENTATION**

In recent years, there have been remarkable improvements in managing the implementation of the VDGs and MDGs. In addition to adopting specific decisions on administrative transparency and publicity, policies and legislation have been reviewed and adjusted under the light of experiences. Timely feedback helped increase the effectiveness of the implementation process.

The motto “People know, people discuss, people do and people supervise” has been in the focal point. Infrastructure development in poor areas and socioeconomic development objectives have been based on discussion, consultation, and choice by communities in villages, communes, etc., resulting in consensus and cooperation in the implementation process.

Viet Nam is also implementing a comprehensive Public Administrative Reform Program in areas such as institutional reforms, renovation of administrative bodies, improvements of the skills of government employees, and public finance reforms. Administrative reforms have helped create new approaches to the implementation of national socio-economic development objectives as well as the MDGs in the central ministries, sectors and localities.

## **2. Challenges**

Viet Nam GDP per capita in year 2004 is still only 560 USD and thus ranked as a low-income country. The small size of the economy, use of backward technologies in both industrial and agricultural sectors, limited development of science and technologies fail to increase the competitiveness of the economy. Changing the economic structure has been slow.

The economy is in transitions and aspects of the socialist oriented market economy remain to be properly defined.

The above constraints raise some questions about the achievement of the MDGs:

- Achievement in poverty reduction and hunger eradication are still problematic. Many households have fall in back into poverty. Life of people in remote, isolated and disaster-prone areas is still difficult. In the North East, the North West, Central Highlands and the North Central Coast, where many ethnic minorities live, the poverty rate is 4-5 times higher than the average level of the whole country. The scope and level of access to supporting policies are limited. Poverty linked with urbanization and the migration process also has to be addressed.
- The income gap between different classes of people in the society and between areas has increased. Differences in income levels and living standards have increased between urban and rural areas, between different economic zones, between the rich and the poor, between the ethnic minorities and the Kinh people,
- The education and training system still has many weaknesses. In remote and poor areas, education cost is still too high compared to the income of poor households. The rate of enrollment and completion of education level is still too low for children in remote, isolated and mountainous areas and for other low income households. There are even children who are not able to go to primary schools. The quality of education is also a pressing problem. The curriculum and teaching methods, quality of teachers, and physical infrastructure need to be improved.
- The gender gap still remains. There are still gender prejudices and male chauvinism. Ethnic minority girls and women in remote areas have less access to education, than boys and men. The number of women with degrees is much lower than that of men. The proportion of women participating in management and administration is low and disproportionate to participation in the labor force. Qualifications of female workers are less than those of male, one cause of the average income of women being lower than that of men. Ill-treatment of women within the household still exists.

Trafficking of girls and women overseas as sex workers has become a complicated matter. Matchmaking services for women seeking to marry expatriates have pushed many women to lead hard lives, badly treated and persecuted in foreign countries.

- Healthcare is still inadequate. The healthcare system and its quality do not meet increasingly diversified demands. Violations of professional ethics of minority of medical workers are not dealt with in a timely manner. Healthcare services for the poor, people in remote and ethnic areas are poor; preventive healthcare is insufficient. Environmental sanitation and food safety are not yet fully controlled. Health indicators vary largely among areas, especially related to at-birth mortality rate, child nutrition, and maternal health. The policies on health insurance, hospital fees, medical examination and treatment of the poor are not properly executed. Only a small percentage of the population has health insurance and social insurance.
- The HIV/AIDS epidemic threatens to spread. Transmission has increased, especially to the youth. The main channels for transmission are injection drug users (60%) and sex workers. Drug use and

prostitution are developing in a complex manner, making it very difficult to control HIV/AIDS infection.

- Environment management is a challenge. Uncontrolled exploitation and misuse of natural resources have resulted in widespread pollution and exhaustion of environmental resources and unbalanced ecological systems. Rapid urbanization results in over-extraction of groundwater, pollution of surface water, air pollution and accumulation of solid wastes. Some of the rich and diversified biological areas, forests, coastal and sea environments have been over exploited. Meanwhile the capacity and efficiency of environmental protection agencies do not yet meet the demand of sustainable development. There is a lack of integrated environmental management methods at regional, inter-regional, and inter-sector levels. State environmental management only operates at the central, sector and provincial levels, but not at district and commune levels.

### **3. Future Development Objectives and Implementation Measures**

The 5-year plan in 2006-2010 aims to lift the country out of poverty and underdevelopment, to significantly improve the physical, cultural and spiritual life of people, to lay sound foundations for industrialization and modernization; to secure political stability, social security and safety; firmly safeguard independence, sovereignty and territorial integrity and national security; and enhance Viet Nam's international position.

The 5-year plan 2006-2010 aims to achieve the MDGs and VDGs as follow:

#### **ECONOMIC TARGETS:**

- GDP annual growth target is 7.5-8%; with agriculture increasing 3.0-3.2%; industries and construction at 10-10.2%; and services at 7.7-8.2%. Average GDP per capita is targeted to reach USD 950-1,000 by 2010.
- Sector structure in GDP by the year 2010 is aimed to be: Agricultural sector: 15-16%; industries and construction: 42-43%; and services: 41-42%. Export turnover is targeted to increase 14-16% per year on average.

#### **SOCIAL TARGETS:**

- The proportion of poor households is to be reduced to 15-16% by 2010 and universal basic education achieved. By 2010, university and college education enrolment is targeted to be 200 students per 10,000 people; trained labor to make up 40% of the total labor force, 100% of the population to have housing; 35 out of 100 people to have telephone access; and an increasing number of people to have access to internet and use of IT.
- The population growth rate is targeted at 1.12% by 2010, with 8 million jobs to be created in 5 years. The aim is to reduce the urban unemployment rate to about 5%.
- Infant mortality rate (under-one) is to be reduced to 18‰; malnutrition rate among children under 5 years old reduced to below 20%; maternal mortality reduced to 0.7‰ in 2010. The ratio of doctors and pharmacists per 10,000 people is planned to be 4.5. Average life expectancy is expected to rise to 72. It is planned that 100% of urban population and 75% of rural population will have access to clean water.

#### **SUSTAINABLE NATURAL RESOURCES AND ENVIRONMENT**

- Clean technologies will be steadily extended. By 2010, 100% of newly constructed production bases will be supplied with clean technologies. Natural resources and minerals will be exploited in a rational manner, mineral exploitation areas and damaged ecological systems restored. Steps will be taken to secure basic ecological balance; to increase the use of clean energy and, strengthen the clean development management.

- Replant bare land and hills with green and increase the rate of forest coverage to 43% by year 2010 and about 48% in 2015. Increase green coverage in urban areas; cities, industrial parks, and trading centers should have sewage, solid wastes and sanitary waste disposal facilities; and river environments will be improved.

#### **4. Key Solutions**

### **CONTINUE TO STUDY AND FURTHER INTEGRATE THE MDGS INTO SOCIO-ECONOMIC AND ENVIRONMENTAL DEVELOPMENT OBJECTIVES.**

Viet Nam has been actively implementing its commitments to the Millennium Declaration. The central and local authorities have integrated the MDGs in their annual plans and 5-year plans on socio-economic and environmental development. In the period 2006-2010, further integration of the MDGs into socio-economic development to achieve the 2015 targets is considered an essential task.

### **MOBILIZE DEVELOPMENT RESOURCES IN ORDER TO INCREASE INVESTMENT TO IMPLEMENT THE MDGS**

The key task is to continue to improve the business environment, to provide favorable conditions for investors, especially in the non-state economic sectors, to invest and achieve a high and sustainable growth rate. Developing labor-intensive economic sectors, especially in poor areas or extremely difficult areas, is encouraged.

Efforts will be made to continue to improve public investment allocation to offer greater opportunities for poor communes, areas and households to access public services; to increase investment for underdeveloped areas in order to reduce the gap between urban and rural areas. Enterprises will be encouraged to invest and create jobs in poor areas. Small and medium sized enterprises will be supported in poor areas to create more jobs and to raise incomes.

Coordination with donors will seek to attract and effectively use ODA funds for hunger eradication, poverty reduction, human resource development, environment and ecosystem protection, etc.

### **CONTINUE TO IMPROVE A SOCIAL ENVIRONMENT CONDUCIVE TO POVERTY REDUCTION AND SOCIAL EQUITY.**

The key tasks are to create favorable conditions and gender equality to encourage female participation in the development process. Capacity building for women will be given special attention to increase the proportion of women in administrative bodies and unions, and in science and research organizations.

Government authorities at all levels are committed to the progress of women and development of children, facilitating women and children to practice their rights in their family and in society.

Special policies should support ethnic minorities in order to provide them with access to development and benefit from economic growth. It is important to improve the quality and efficiency of healthcare, initial healthcare for poor people, women and children, and to provide free healthcare for the poor.

Regulations on grassroots democracy at communes, wards and towns should be rigorously enforced to encourage people, including the poor, to participate in supervising the implementation of policies. Legal support for the poor and people in extremely difficult situation should be expanded.

## **IMPLEMENTING POLICIES TO STABILIZE AND IMPROVE LIVING STANDARDS OF ETHNIC MINORITIES MORE EFFECTIVELY**

The next phase of the socio-economic development plan in extremely poor communes (Program 135) will be implemented vigorously to close gaps in material and social life between ethnic minorities and the rest of society.

State policies will be enhanced to assist vulnerable groups, people in extremely difficult situation, by helping them with employment and income generation activities, so that they can participate more fully in society and can benefit from reform and economic growth.

Planning and infrastructure will be improved so that assistance can be better provided when disasters happen. Emergency aid measures will be organized to respond quickly and limit damages of disasters, and the poor will be trained to help each other during disasters.

## **EXPANDING NETWORKS IN SOCIAL ORGANIZATION AND NON-GOVERNMENT ORGANIZATIONS TO DEVELOP A SOCIAL SAFETY NET**

Coordination between the government, political and social organizations, and mass organizations will seek to encourage government bodies, enterprises, and the general public to participate in charity activities to help the poor and vulnerable groups.

NGOs, social organizations, mass organizations will be encouraged to participate in humanitarian activities, to develop networks to provide social safety nets, to support vulnerable groups, especially lonely and elderly people, orphans, dioxin infected children, HIV/AIDS infected children, etc.

## **ANNEX 1: SUMMARY OF MDGs AND VDGs UNTIL 2010**

### **I. Summary of MDGs**

#### **1. ERADICATE EXTREME POVERTY AND HUNGER**

(1) Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day (2) Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

#### **2. ACHIEVE UNIVERSAL PRIMARY EDUCATION.**

(1) Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

#### **3. Promote Gender Equality and Empower Women**

(1) Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

#### **4. Reduce Child Mortality**

(1) Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

#### **5. Improve Maternal Health**

(1) Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

#### **6. Combat HIV/AIDS, Malaria and Other Diseases**

(1) Halt and reverse by 2015, the spread of HIV/AIDS,

(2) Halt and reverse by 2015 the incidence of malaria and other major diseases.

#### **7. Ensure Environmental Sustainability**

(1) Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.

(2) Halve the number of people without sustainable access to safe water by 2015.

(3) Improve remarkably living standards of at least 100 million people living in slums by 2020.

#### **8. Develop a Global Partnership for Development**

(1) Develop further an open, rule-based, predictable, non-discriminatory trading and financial system.

(2) Address the special needs of the Least Developed Countries

Including: Tariff and quota free access for LDC exports; enhanced programs of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction.

(3) Address the special needs of landlocked countries and small-island developing States (through Barbados Program and 22nd General Assembly provisions).

(4) Deal comprehensively with the debt problems of developing countries through national and international measures in order to manage debt sustainable in the long term.

(5) Cooperate with developing countries to formulate and implement appropriate and effective job creation strategies for young people.

(6) Cooperate with pharmacy companies to provide essential medicines, which are payable, to customers in developing countries.

(7) Cooperate with private sector to make new technologies, especially information and communication, more useful for people.

## **II. Viet Nam's Social Development and Poverty Reduction Goals (VDGs) until 2010**

### **1. Reduce the Percentage of Poor Households<sup>17</sup>**

(1) Reduce by 50% the percentage of people living below an international accepted poverty line between 2001 and 2010 that means from 32% in 2000 to 15-16% in 2010.

(2) Reduce by 75% the number of people living under an internationally accepted food poverty line by 2010, i.e. from 12% in 2000 to 2-3% in 2010.

(3) Reduce by 60% the number of households living below the poverty line provided in the National Targeted Programs on Poverty Reduction and Job Creation

### **2. Universalize Education and Improve Education Quality<sup>18</sup>**

(1) Increase net enrolment in primary education to 97% by 2005 and to 99% by 2010.

(2) By 2010 have improved the quality of education and increase full-day schooling at primary level.

(3) Increase net enrolment rate in junior secondary schools to 90% by 2010.

(4) Increase net enrolment rate in upper secondary schools to 50% by 2010.

(5) Eliminate illiteracy for 100% of illiterate under-40-year-old women by 2010.

### **3. Promote Gender Equality and Women Empowerment<sup>19</sup>**

(1) Eliminate the gender gap in primary and secondary education among ethnic minorities by 2010.

(2) Increase the number of women in elective bodies at all levels.

(3) Increase the participation of women in agencies and sectors (includes ministries, central agencies and enterprises) at all levels by 3-5% in the next 10 years.

(4) Ensure that the names of both husband and wife appear on the land-use-right certificates.

(5) Reduce the vulnerability of women to domestic violence.

### **4. Reduce Birth Rate, Child Mortality and Child Malnutrition<sup>20</sup>**

(1) Reduce the birth rate to achieve the natural average substitution rate in the whole country no later than 2005; and in remote, isolated and poor areas no later than 2010.

(2) Reduce the infant mortality rate to 20 per 1,000 live births by 2010.

(3) Reduce the under-five mortality rate to 27 per 1,000 live births by 2010.

(4) Reduce the under-five malnutrition rate to less than 20% by 2010.

(5) Reduce the underweight (under 2.5 kg) birth rate to 5% by 2010.

### **5. Improve Maternal Health<sup>21</sup>**

(1) Reduce, by 2010, the maternal mortality rate to 70 per 10,000 live births with special attention to disadvantaged areas.

(2) Improve mother's health condition after giving birth.

### **6. Reduce HIV/AIDS Infection and Eradicate Other Major Diseases<sup>22</sup>**

(1) Slow the increase in the spread of HIV/AIDS by 2005 and halve the rate of increase by 2010.

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<sup>17</sup> International goal: halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day; halve, between 1990 and 2015, the proportion of people who suffer from hunger.

<sup>18</sup> International goal: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

<sup>19</sup> International goal: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

<sup>20</sup> International goal: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

<sup>21</sup> International goal: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

<sup>22</sup> International goal: have halted by 2015, and begun to reverse the spread of HIV/AIDS; have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.

(2) Maintain the achievement of polio eradication; minimize the incidence and death of cholera, typhoid, petechial fever, malaria, and plague, etc.

(3) Extend prevention of accidents, injury and harm reduction of smoking.

#### **7. Ensure Environmental Sustainability<sup>23</sup>**

(1) Plant trees on bare land and bald hills; increase the percentage of forest cover to 43% by 2010; increase trees in urban areas.

(2) Introduce step-by-step environmental friendly technologies into socio-economic sectors; ensure that 100% of new factories use such technologies or are equipped with less polluted devices; ensure that all wastes are treated by standardized processes; 50% of factories are granted environmental protection certificates.

(3) Basically have achieved the improved and upgraded water sewerage systems in all cities, industrial parks, and export processing zones; ensure 40% of cities and 70% of industrial parks and export processing zones have access to standardized waste water treatment systems, 80-90% of solid waste collected, 60% hazardous waste and 100% hospital waste treated; environmental problems in all rivers are basically addressed.

(4) Ensure that 85% of the rural population and 95% of the urban population have access to clean and safe water by 2010.

#### **8. Ensure Pro-poor Infrastructure Development**

(1) Improve, upgrade, expand and build essential infrastructure constructions (e.g. small irrigation works, schools, health clinics, rural roads, lighting power, clean water, market places, post offices, and community meeting houses...); ensure that 100% of poor communes have access to essential infrastructures.

(2) Ensure that, by 2010, 85% of the rural population has access to safe water with the amount of 60 liters/person/day; and 75% of rural families have sanitary latrines.

#### **9. Job Creation**

(1) Provide jobs to 1.6 million people per annum, achieving the total of 8 million jobs in 5 years. Increase the proportion of women to 50% in total new jobs by 2010.

(2) Increase the share of trained workers in the total workforce to 40% by 2010.

(3) Reduce the share of urban unemployed among the total number of people of working age to less than 5% by 2010.

#### **10. Develop Culture and Information to Improve Spiritual Life of People; Preserve Culture of Ethnic Minority Groups**

(1) Increase radio and television broadcasting time and programs in ethnic languages.

(2) Raise public cultural awareness to preserve and develop the ethnic minority traditional cultural values. Preserve and develop the literacy of ethnic languages in areas where ethnic minorities become majority.

(3) Support the greater participation of ethnic minority people in public administrative organizations.

(4) Ensure that the land use rights are given to communities or individuals living in ethnic mountainous areas. Strengthen and expand activities of health care, culture, and information down to grassroots levels and serve ethnic people.

#### **11. Reduce Vulnerability and Develop Social Safety Nets to Support the Poor and the Disadvantaged**

(1) Improve income of the poor, especially the female-headed poor households

(2) Ensure that, by 2010, all families living in urban areas are granted land use right certificates and ownership certificates of the houses built on lawful land.

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<sup>23</sup> International goal: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources; halve the number of people without sustainable access to safe water by 2015; improve remarkably living standards of at least 100 million people living in slums by 2020.

(3) Reform insurance policies and mechanism to encourage people's participation in volunteering insurances.

(4) Improve jobs in terms of quality and quantity; ensure job security for the poor and for those with extreme disadvantages

(5) Protect juvenile children and well address the child labor at early ages (6) Develop natural disaster prevention and mitigation strategies. By 2010, halve the rate of poor people falling back to poverty due to natural disasters and other risks.

## **12. Promote Further Public Administration Reform and Legal Information Provision for the Poor**

(1) Improve accessibility of the poor to a transparent government with accountability and people's participation.

(2) Continue reform and improvement of policies that have impacts on the poor; Identify better targets and budget allocation of the programs that benefit the poor.

(3) Finalize the formulation of all reform strategies related to public sectors, governance and financial management for better support to the poor.

(4) Reduce bureaucracy, push back corruption and realize the participatory public administration.

## ANNEX 3: DATA ON VIET NAM DEVELOPMENT GOALS

**Table 1: MDG MAP**

*Source:* UNDP 2004

**Table 2:**  
**Poverty rate by Cities and provinces**

*Unit: %*

No	City/Province	2002
1	Lai Chau	76.56
2	Ha Giang	69.25
3	Bac Kan	68.69
4	Hoa Binh	65.96
5	Gia Lai	63.75
6	Son La	62.61
7	Cao Bang	60.15
8	Lao Cai	60.00
9	Dak Lak	54.58
10	Ha Tinh	49.65
11	Thanh Hoa	48.40
12	Ninh Thuan	45.03
13	Kon Tum	44.72
14	Nghe An	43.40
15	Phu Tho	41.92
16	Quang Tri	41.80
17	Yen Bai	41.67
18	Tuyen Quang	39.31
19	Vinh Phuc	38.96
20	Lang Son	38.74
21	Soc Trang	37.53
22	Thai Binh	37.42
23	Quang Binh	36.64
24	Quang Nam	36.28
25	Quang Ngai	36.14
26	Lam Dong	35.96
27	Tra Vinh	33.62
28	Bac Giang	32.70
29	Ca Mau	31.96
30	Ha Nam	31.75
31	Ninh Binh	31.52
32	Dong Thap	31.42
33	Binh Phuoc	31.05

No	City/Province	2002
34	Thua Thien – Hue	29.70
35	Nam Dinh	29.13
36	Binh Dinh	28.31
37	Ha Tay	25.97
38	Vinh Long	24.85
39	Hai Duong	23.06
40	Kien Giang	22.80
41	Thai Nguyen	22.36
42	Can Tho	21.94
43	Bac Lieu	21.28
44	Phu Yen	21.04
45	Tay Ninh	18.13
46	Hung Yen	17.08
47	Tien Giang	16.56
48	Long An	16.17
49	Ben Tre	16.08
50	Binh Thuan	15.70
51	An Giang	15.07
52	Bac Ninh	12.14
53	Hai Phong	11.95
54	Dong Nai	10.33
55	Khanh Hoa	9.72
56	Binh Duong	8.56
57	Ba Ria - Vung Tau	7.64
58	Quang Ninh	6.41
59	Ha Noi	5.17
60	Da Nang	4.33
61	Ho Chi Minh City	1.98

Source: Viet Nam Household Living Standard Survey 2002 (VHLSS 2002) - GSO

**Table 3:**  
**Food poverty rate by Cities and provinces**

*Unit : %*

No	City/Province	2002
1	Ha Noi	2.25
2	Vinh Phuc	9.24
3	Bac Ninh	3.05
4	Ha Tay	9.79
5	Hai Duong	8.47
6	Hai Phong	5.57
7	Hung Yen	6.34
8	Thai Binh	6.08
9	Ha Nam	9.48
10	Nam Dinh	6.86
11	Ninh Binh	7.99
12	Ha Giang	19.08
13	Cao Bang	27.01
14	Bac Kan	30.74
15	Tuyen Quang	10.63
16	Lao Cai	29.56
17	Yen Bai	13.91
18	Thai Nguyen	16.09
19	Lang Son	12.75
20	Quang Ninh	4.47
21	Bac Giang	9.34
22	Phu Tho	12.51
23	Lai Chau & Dien Bien	35.68
24	Son La	22.85
25	Hoa Binh	27.43
26	Thanh Hoa	16.43
27	Nghe An	17.32
28	Ha Tinh	22.55
29	Quang Binh	18.06
30	Quang Tri	19.40
31	Thua Thien – Hue	10.69
32	Da Nang	1.83
33	Quang Nam	14.31
34	Quang Ngai	13.96
35	Binh Dinh	10.14
36	Phu Yen	13.62
37	Khanh Hoa	6.22
38	Kon Tum	17.15
39	Gia Lai	18.18
40	Dak Lak and Dak Nong	17.01
41	Lam Dong	15.72
42	Ninh Thuan	13.35
43	Binh Thuan	5.77

No	City/Province	2002
44	Binh Phuoc	7.94
45	Tay Ninh	5.48
46	Binh Duong	1.68
47	Dong Nai	2.08
48	Ba Ria - Vung Tau	3.72
49	Ho Chi Minh City	1.26
50	Long An	6.11
51	Tien Giang	6.54
52	Ben Tre	9.26
53	Tra Vinh	13.51
54	Vinh Long	7.56
55	Dong Thap	7.11
56	An Giang	6.15
57	Kien Giang	6.25
58	Can Tho and Hau Giang	5.21
59	Soc Trang	12.14
60	Bac Lieu	7.92
61	Ca Mau	7.71

Source: Viet Nam Household Living Standard Survey 2002 – GSO

**Table 4:**  
**Percentage of disadvantaged villages having access to Basic Infrastructure**  
*Unit:: %*

No	Description	By 2004
1	% villages with car road connection to the village' centre	97
2	% villages with small-sized irrigation works	90
3	% villages with health clinics	100
4	% villages with primary schools	90
5	% villages with junior secondary schools	80
6	% villages with markets or inter-village markets	36
7	% villages with post offices	70
8	% villages with radio stations	90
9	% villages with power supply	90
10	% the urban poor having access to basic services	90
11	% poor households having access to safe and clean water	60

*Source:* Committee of Ethnic Minority Affairs

**Table 5:**  
**Percentage of technically skilled workers among total workforce**  
**in Cities and provinces**

*Unit: %*

	2000	2001	2002	2003
Ha Noi	44.28	46.15	48.10	50.75
Vinh Phuc	8.67	11.13	11.29	11.84
Bac Ninh	15.69	19.02	22.90	24.80
Ha Tay	15.94	18.07	20.13	28.46
Hai Duong	8.46	10.53	13.54	15.79
Hai Phong	28.80	30.82	32.11	34.08
Hung Yen	9.15	10.72	16.43	23.27
Thai Binh	13.88	16.32	18.23	19.18
Ha Nam	15.95	17.23	21.16	24.46
Nam Dinh	17.81	20.90	22.13	28.84
Ninh Binh	15.17	17.21	22.30	23.31
Ha Giang	5.98	6.11	6.25	6.39
Cao Bang	12.55	13.08		10.90
Bac Kan	9.07	9.23	9.71	10.09
Tuyen Quang	16.68	17.29	17.83	18.52
Lao Cai	11.11		12.72	17.33
Yen Bai	8.90	10.33	12.16	14.59
Thai Nguyen		17.14	21.69	24.84
Lang Son	13.54	14.48	15.37	16.30
Quang Ninh	25.64	26.20	26.98	27.91
Bac Giang	9.74	10.88		18.90
Phu Tho	15.01	15.21	15.52	15.59
Dien Bien and Lai Chau	7.31	7.83	8.22	8.85
Son La	8.80	9.27	9.44	9.58
Hoa Binh	9.97	10.89	11.92	13.32
Thanh Hoa	13.04	13.24	13.31	13.48
Nghe An	14.23	14.46	14.52	14.63
Ha Tinh	11.11	11.52	12.46	13.53
Quang Binh			12.45	12.90
Quang Tri	12.11	15.30		

	2000	2001	2002	2003
Thua Thien Hue	20.76	22.33	25.46	27.62
Da Nang	31.70	35.79	39.28	41.87
Quang Nam	12.68	13.56	16.62	17.63
Quang Ngãi	10.76	11.96	12.24	12.83
Binh Dinh			21.87	23.40
Phu Yen	12.33	12.65	13.28	14.32
Khanh Hoa	18.16	20.68	22.56	25.19
Kon Tum	11.32	12.66	14.87	16.05
Gia Lai	11.39	12.46	14.36	16.02
Dak Lak and Dak Nong	11.16	11.26	11.75	12.18
Lam Dong	14.16		17.21	18.15
Ninh Thuan	13.52	14.02	17.61	19.57
Binh Thuan	13.84	14.54	16.70	18.31
Binh Phuoc	17.52	18.18	18.82	19.36
Tay Ninh	13.36	14.38	15.18	16.93
Binh Duong	20.97	22.04	25.11	26.33
Dong Nai	19.01	22.47	26.48	29.16
Ba Ria-Vung Tau	20.08	22.53	23.98	26.11
Ho Chi Minh City	30.69	33.17		
Long An	15.13	17.96	20.39	22.14
Tien Giang	13.41	14.01	16.39	19.67
Ben Tre	12.07	14.60	16.71	19.82
Tra Vinh	6.48	6.75	6.86	7.02
Vinh Long	10.05	10.54	12.29	14.42
Dong Thap	7.63	7.79	7.98	8.10
An Giang	10.32	10.87	10.41	15.24
Kien Giang	7.10	7.35	7.66	8.16
Can Tho and Hau Giang	11.65	12.22	12.97	13.59
Soc Trang	7.55	7.81	9.57	8.38
Bac Lieu	8.27	8.92	9.51	10.16
Ca Mau	7.26	7.89	8.94	9.89

Source: Ministry of Labor, War Invalids and Social Affairs (MOLISA)

**Table 6: rate of Rural working Time***Unit: %*

		2001	2002	2003	2004
	<b>Country</b>	<b>74.26</b>	<b>75.42</b>	<b>77.65</b>	<b>79.10</b>
1	Red River Delta	75.36	76.08	78.25	80.21
2	North East	73.05	75.32	77.09	78.68
3	North West	72.78	71.08	74.25	77.42
4	North Central Coast	72.52	74.50	75.60	76.13
5	South Central Coast	74.60	74.85	77.31	79.11
6	Central Highlands	77.18	77.99	80.43	80.60
7	South East Coast	76.42	75.43	78.45	81.34
8	Mekong River Delta	73.38	76.53	78.27	78.37

*Source: GSO***Table 7: Urban Unemployment rate***Unit: %*

		2001	2002	2003	2004
	<b>Whole Country</b>	<b>6.28</b>	<b>6.01</b>	<b>5.78</b>	<b>5.60</b>
	Red River Delta	7.07	6.64	6.38	6.03
	North East	6.73	6.10	5.93	5.45
	North West	5.62	5.11	5.19	5.30
	North Central Coast	6.72	5.82	5.45	5.35
	South Central Coast	6.16	5.50	5.46	5.70
	Central Highlands	5.55	4.90	4.39	4.53
	South East Coast	5.92	6.30	6.08	5.92
	Mekong River Delta	6.08	5.50	5.26	5.03

*Source: GSO*

**Table 8: Net Enrolment in primary education***Unit: %*

	2000 - 2001	2001 - 2002	2002 - 2003	2003 - 2004
<b>Whole Country</b>	<b>92.65</b>	<b>93.26</b>	<b>93.37</b>	<b>94.43</b>
Lam Dong	94.58	99.57	94.31	98.12
Ninh Thuan	90.75	95.96	93.66	94.49
Binh Thuan	99.24	98.63	92.29	89.59
Binh Phuoc	91.49	95.74	92.51	96.29
Tay Ninh	94.58	97.25	91.42	98.96
Binh Duong	89.96	92.64	92.93	94.96
Dong Nai	98.96	98.25	90.38	92.21
Ba Ria-Vung Tau	94.58	95.26	90.99	96.21
Ho Chi Minh City	96.36	92.33	93.55	92.97
Long An	96.33	95.20	94.37	90.46
Tien Giang	95.42	93.31	94.87	92.79
Ben Tre	90.22	92.88	90.10	93.36
Tra Vinh	51.46	60.18	92.08	82.90
Vinh Long	90.89	92.38	99.13	94.79
Dong Thap	93.91	95.25	97.04	98.29
An Giang	87.91	89.95	89.56	80.54
Kien Giang	95.35	90.46	79.97	92.75
Can Tho and Hau Giang	93.36	92.24	91.68	75.17
Soc Trang	92.80	93.32	93.47	92.26
Bac Lieu	97.35	97.73	95.30	95.34
Ca Mau	90.54	92.57	92.17	92.17
Lam Dong	92.36	95.13	95.85	98.77
Ninh Thuan	82.80	88.73	84.41	78.78
Binh Thuan				76.89
Binh Phuoc	89.36	92.22	91.53	94.55
Tay Ninh	93.15	96.90	96.14	99.38
Binh Duong	98.49	98.36	98.10	88.21
Dong Nai	92.75	93.73	97.79	98.13
Ba Ria-Vung Tau	90.63	92.30	97.84	99.00
Ho Chi Minh City	98.26	98.55	93.72	97.15
Long An	79.10	78.51	91.25	96.55
Tien Giang	95.02	98.39	92.77	93.44
Ben Tre	97.56	99.83	96.04	99.85
Tra Vinh	97.60	97.78	94.84	96.94
Vinh Long	96.54	97.35	96.85	96.90

	2000 - 2001	2001 - 2002	2002 - 2003	2003 - 2004
Dong Thap	94.23	97.27	97.20	93.72
An Giang	94.28	97.13	94.59	96.28
Kien Giang	96.18	95.45	94.70	95.45
Can Tho and Hau Giang	96.01	92.74	93.77	99.07
Soc Trang	89.44	90.24	96.46	79.70
Bac Lieu	82.27	85.91	91.42	88.87
Ca Mau				91.09
Lam Dong	97.35	98.94	92.63	95.52
Ninh Thuan	90.35	91.55	88.81	87.22
Binh Thuan	95.18	94.59	91.65	97.09
Binh Phuoc	97.76	97.86	92.08	83.90
Tay Ninh	91.89	94.50	94.09	91.38
Binh Duong	96.04	97.89	95.46	83.45
Dong Nai	92.62	97.39	92.77	93.23
Ba Ria-Vung Tau	95.09	96.07	95.28	98.13
Ho Chi Minh City	92.08	93.22	91.58	97.33
Long An	90.66	93.20	90.84	97.44
Tien Giang	95.74	97.07	92.84	93.04
Ben Tre	89.29	90.64	96.45	95.66
Tra Vinh	85.26	86.92	85.72	91.64
Vinh Long	91.72	94.27	93.31	84.09
Dong Thap	89.43	90.34	94.83	97.77
An Giang	81.81	88.21	88.90	97.29
Kien Giang	84.31	89.64	89.75	92.94
Can Tho and Hau Giang	80.25	82.66	92.03	90.65
Soc Trang	87.15	86.58	94.65	99.33
Bac Lieu	90.73	92.88	98.06	98.41
Ca Mau	88.50	93.78	96.42	86.78

Source: Ministry of Education and Training

**Table 9: Net enrolment in lower secondary schools***Unit: %*

	2000 - 2001	2001 - 2002	2002 - 2003	2003 - 2004
<b>Whole Country</b>	<b>69.19</b>	<b>75.82</b>	<b>76.29</b>	<b>76.86</b>
Lam Dong	82.82	90.84	86.43	95.52
Ninh Thuan	73.25	82.96	85.66	83.33
Binh Thuan	90.55	92.21	88.60	91.06
Binh Phuoc	61.74	70.87	89.42	91.05
Tay Ninh	80.00	85.02	94.21	95.66
Binh Duong	85.01	90.64	87.63	90.22
Dong Nai	75.00	78.56	90.96	93.35
Ba Ria-Vung Tau	74.87	74.61	98.21	94.23
Ho Chi Minh City	82.34	89.58	89.19	97.26
Long An	85.39	88.54	89.12	91.05
Tien Giang	81.45	89.02	87.05	92.24
Ben Tre	35.35	39.22	39.96	50.35
Tra Vinh	40.03	53.31	59.77	64.86
Vinh Long	54.04	55.99	73.44	73.09
Dong Thap	64.21	67.94	85.81	88.41
An Giang	38.17	39.60	54.11	65.94
Kien Giang	55.64	68.87	70.51	73.20
Can Tho and Hau Giang	83.37	87.31	85.69	82.97
Soc Trang	50.51	55.35	70.16	74.10
Bac Lieu	60.28	65.66	78.50	81.23
Ca Mau	59.79	66.11	88.66	93.73
Lam Dong	75.61	80.62	86.11	92.73
Ninh Thuan	15.81	32.14	37.32	55.88
Binh Thuan				38.58
Binh Phuoc	22.10	41.17	44.59	57.10
Tay Ninh	63.23	68.75	77.38	71.35
Binh Duong	96.32	88.79	87.60	90.36
Dong Nai	80.45	82.63	96.64	90.93
Ba Ria-Vung Tau	85.48	97.34	97.92	92.91
Ho Chi Minh City	80.28	81.07	81.16	86.87
Long An	75.77	80.87	80.39	87.92
Tien Giang	68.43	70.92	76.58	81.01
Ben Tre	87.12	91.50	88.34	95.71
Tra Vinh	87.85	83.63	83.50	93.74
Vinh Long	87.75	88.70	79.14	89.34
Dong Thap	82.10	80.46	77.43	88.91
An Giang	80.80	82.56	76.67	83.06
Kien Giang	78.36	73.58	73.40	78.83
Can Tho and Hau Giang	68.47	56.83	75.85	61.28
Soc Trang	70.99	64.90	62.57	56.67
Bac Lieu	81.94	69.12	65.10	84.91
Ca Mau				70.08

	2000 - 2001	2001 - 2002	2002 - 2003	2003 - 2004
Lam Dong	82.32	84.33	75.90	79.60
Ninh Thuan	60.58	57.11	57.21	76.08
Binh Thuan	68.44	63.33	62.95	73.81
Binh Phuoc	73.38	65.32	62.55	64.69
Tay Ninh	62.73	62.45	59.20	67.44
Binh Duong	82.00	76.72	76.13	67.73
Dong Nai	84.90	78.83	78.21	80.40
Ba Ria-Vung Tau	81.91	75.04	74.47	81.91
Ho Chi Minh City	77.70	81.61	79.69	82.77
Long An	69.84	70.90	72.78	75.33
Tien Giang	70.58	72.92	76.92	78.99
Ben Tre	72.83	71.92	77.34	86.22
Tra Vinh	62.62	53.82	60.87	65.11
Vinh Long	80.20	75.51	80.01	78.30
Dong Thap	56.40	58.69	63.32	69.33
An Giang	52.51	51.33	54.76	53.34
Kien Giang	53.14	45.93	50.69	57.26
Can Tho and Hau Giang	57.57	53.97	58.89	60.42
Soc Trang	53.87	43.48	48.72	48.04
Bac Lieu	53.07	51.17	61.28	57.18
Ca Mau	58.65	49.05	50.79	62.24

Source: Ministry of Education and Training

**Table 10: Percentage of population aged over 10 years old by literacy in 1999**

*Unit: %*

Age Group and Sex	Total	Classified by	
		Urban	Rural
<b>Whole country</b>	<b>91.07</b>	<b>95.22</b>	<b>89.69</b>
10-14	95.66	97.75	95.16
15-17	95.22	97.71	94.51
18-19	93.66	97.43	92.42
20-29	93.39	97.02	92.10
30-39	94.50	97.53	93.38
40-49	93.43	97.09	91.97
50+	75.06	84.12	72.22
<b>Male</b>	<b>94.21</b>	<b>97.05</b>	<b>93.28</b>
10-14	95.89	97.56	95.49
15-17	95.41	97.37	94.86
18-19	93.87	97.00	92.87
20-29	93.73	96.77	92.68
30-39	95.47	97.81	94.61
40-49	95.96	98.41	94.98
50+	89.31	94.40	87.68
<b>Female</b>	<b>88.11</b>	<b>93.52</b>	<b>86.31</b>
10-14	95.42	97.95	94.81
15-17	95.02	98.06	94.14
18-19	93.45	97.84	91.96
20-29	93.05	97.26	91.52
30-39	93.55	97.25	92.18
40-49	91.15	95.87	89.28
50+	64.50	76.27	60.86

*Source: General Population Census - GSO*

**Table 11: Rate of female enrolment in 2003-2004**

*Unit:: %*

	Primary	Lower Secondary	Upper Secondary
<b>Whole country</b>	<b>47.6</b>	<b>47.8</b>	<b>48.5</b>
Lam Dong	48.5	48.7	50.8
Ninh Thuan	46.8	48.0	43.5
Binh Thuan	50.2	49.1	45.1
Binh Phuoc	48.8	48.7	47.4
Tay Ninh	48.6	46.6	45.7
Binh Duong	48.4	48.6	49.3
Dong Nai	49.8	49.6	46.0
Ba Ria-Vung Tau	48.4	48.5	45.8
Ho Chi Minh City	48.3	48.7	50.0
Long An	46.1	48.6	46.2
Tien Giang	48.4	48.4	51.2
Ben Tre	45.8	45.6	49.0
Tra Vinh	45.8	48.6	51.4
Vinh Long	46.2	47.9	52.3
Dong Thap	47.7	47.5	46.9
An Giang	47.1	42.8	48.7
Kien Giang	46.1	45.0	46.6
Can Tho and Hau Giang	48.8	47.6	49.7
Soc Trang	47.9	49.2	53.0
Bac Lieu	47.5	46.9	50.5
Ca Mau	48.6	46.8	45.2
Lam Dong	48.4	48.2	46.7
Ninh Thuan	46.2	38.0	41.8
Binh Thuan	38.4	39.0	39.9
Binh Phuoc	44.6	41.7	41.3
Tay Ninh	47.8	47.7	48.4
Binh Duong	48.9	47.8	48.0
Dong Nai	49.3	48.2	48.1
Ba Ria-Vung Tau	48.2	48.2	49.0
Ho Chi Minh City	47.9	48.2	47.4
Long An	48.2	47.6	46.7
Tien Giang	47.6	46.9	47.7
Ben Tre	48.1	46.9	51.2
Tra Vinh	48.2	47.2	46.4

	Primary	Lower Secondary	Upper Secondary
Vinh Long	48.1	47.0	47.7
Dong Thap	48.2	50.4	46.7
An Giang	48.6	47.1	49.1
Kien Giang	48.3	47.9	54.0
Can Tho and Hau Giang	47.3	46.9	48.0
Soc Trang	47.7	46.8	49.7
Bac Lieu	47.9	49.2	49.8
Ca Mau	46.4	47.7	47.1
Lam Dong	48.0	48.0	51.0
Ninh Thuan	49.2	49.8	53.3
Binh Thuan	48.3	49.0	52.0
Binh Phuoc	40.6	48.0	50.2
Tay Ninh	48.0	49.3	53.8
Binh Duong	47.7	49.8	54.2
Dong Nai	43.9	49.1	53.6
Ba Ria-Vung Tau	48.1	47.8	47.4
Ho Chi Minh City	47.6	48.2	52.0
Long An	47.7	48.4	50.1
Tien Giang	47.4	48.4	51.5
Ben Tre	48.1	49.0	51.4
Tra Vinh	47.9	46.1	45.2
Vinh Long	41.0	47.9	47.8
Dong Thap	47.9	47.5	46.8
An Giang	47.9	47.6	47.1
Kien Giang	47.7	44.8	46.3
Can Tho and Hau Giang	47.2	48.3	47.5
Soc Trang	46.9	48.3	44.2
Bac Lieu	47.5	45.2	42.8
Ca Mau	45.9	43.5	41.7

Source: Ministry of Education and Training

**Table 12: Percentage of ethnic minority children enrolled at all educational levels in 2003-2004**

*Unit: %*

	Primary	Lower Secondary	Upper Secondary
<b>Whole Country</b>	<b>17.66</b>	<b>12.89</b>	<b>8.48</b>
Lam Dong	0.07	0.13	0.27
Ninh Thuan	4.44	3.88	2.10
Binh Thuan	1.18	1.29	1.10
Binh Phuoc	0.31	0.28	0.06
Tay Ninh	2.59	2.80	1.86
Binh Duong	89.12	77.73	66.64
Dong Nai	96.37	94.24	94.53
Ba Ria-Vung Tau	89.78	88.84	85.41
Ho Chi Minh City	60.92	56.29	47.41
Long An	75.63	62.45	30.80
Tien Giang	61.89	50.55	36.61
Ben Tre	30.12	29.92	24.13
Tra Vinh	87.54	85.31	81.16
Vinh Long	15.34	11.23	7.77
Dong Thap	16.30	13.64	9.12
An Giang	17.47	18.14	10.09
Kien Giang	88.38	76.22	46.97
Can Tho and Hau Giang	91.86	75.00	59.29
Soc Trang	86.57	76.64	59.73
Bac Lieu	77.96	76.17	62.37
Ca Mau	20.66	17.47	12.50
Lam Dong	17.67	12.66	7.59
Ninh Thuan	0.05	0.07	0.04
Binh Thuan	2.60	1.16	1.93
Binh Phuoc	12.05	6.28	2.44
Tay Ninh	5.10	3.96	2.93
Binh Duong	0.19	0.25	0.30
Dong Nai	13.06	6.31	1.90
Ba Ria-Vung Tau	16.11	8.57	2.63

	Primary	Lower Secondary	Upper Secondary
Ho Chi Minh City	3.15	1.67	1.10
Long An	7.59	3.68	1.76
Tien Giang	8.06	3.04	1.40
Ben Tre	64.09	45.43	21.74
Tra Vinh	46.81	27.74	14.19
Vinh Long	37.39	25.56	14.89
Dong Thap	39.42	22.39	12.21
An Giang	28.62	18.20	10.02
Kien Giang	25.15	17.85	16.15
Can Tho and Hau Giang	7.33	5.11	4.18
Soc Trang	21.68	10.86	5.65
Bac Lieu	1.63	0.60	0.41
Ca Mau	0.68	0.74	0.32
Lam Dong	4.67	2.92	1.87
Ninh Thuan	2.08	1.42	0.76
Binh Thuan	0.38	0.21	0.31
Binh Phuoc	0.05	0.00	0.04
Tay Ninh	34.17	30.40	20.27
Binh Duong	2.69	2.36	1.37
Dong Nai	0.28	0.00	0.00
Ba Ria-Vung Tau	5.62	4.46	3.14
Ho Chi Minh City	14.30	11.52	7.40
Long An	2.35	2.09	1.32
Tien Giang	34.40	27.68	16.39
Ben Tre	9.52	6.05	4.75
Tra Vinh	1.89	1.41	1.31

Source: Ministry of Education and Training

**Table 13: Natural population growth rate <sup>(\*)</sup>**

*Unit: ‰*

	2000	2001	2002	2003
<b>Whole country</b>	<b>14.3</b>	<b>13.5</b>	<b>13.2</b>	<b>11.7</b>
<b>Classified by rural and urban areas</b>				
Urban	12.4	11.6	12.4	10.3
Rural	14.0	14.3	13.3	12.9
<b>Classified by regions</b>				
Red River Delta	13.2	11.5	11.2	10.9
North East	12.7	12.2	12.5	11.2
North West	21.1	18.7	17.3	16.1
North Central Coast	14.4	12.1	11.5	12.1
South Central Coast	16.0	12.7	15.0	12.2
Central Highlands	21.4	19.2	19.4	17.9
South East Coast	14.7	13.9	12.2	10.9
Mekong River Delta	13.0	13.3	12.8	12.2

*(\*) 12 months prior to the date of 1 April every year*

Source: Population Growth and Family Planning Survey, 1 April every year - GSO

**Table 14**  
**Malnutrition rate of children under 5 years old (2000-2003)**

*Unit:: %*

	2000	2001	2002	2003
<b>Whole Country</b>	<b>33.8</b>	<b>31.9</b>	<b>30.1</b>	<b>28.4</b>
Ha Noi	18.5	18.7	16.8	15.8
Vinh Phuc	36.0	33.4	32.3	30.2
Bac Ninh	34.2	33.5	32.5	30.7
Ha Tay	31.0	28.6	25.1	24.2
Hai Duong	31.9	29.4	29.2	28.3
Hai Phong	28.7	27.3	24.5	21.2
Hung Yen	36.0	34.1	33.4	30.4
Thai Binh	33.8	32.0	29.8	28.2
Ha Nam	33.7	31.9	30.7	28.4
Nam Dinh	36.1	31.8	29.8	28.1
Ninh Binh	34.7	32.1	31.8	30.2
Ha Giang	40.4	40.6	39.6	35.5
Cao Bang	38.4	36.2	33.9	32.3
Bac Can	40.4	38.8	38.6	37.0
Tuyen Quang	37.0	34.6	33.2	31.4
Lao Cai	42.3	39.8	37.5	35.8
Yen Bai	39.0	38.1	36.2	34.5
Thai Nguyen	34.4	32.0	30.2	29.8
Lang Son	38.1	35.9	34.4	32.6
Quang Ninh	29.9	28.0	27.0	25.1
Bac Giang	38.1	36.0	34.6	33.5
Phu Tho	36.5	34.4	31.8	29.8
Lai Chau & Dien Bien	39.8	38.5	37.2	35.6
Son La	37.6	35.8	34.7	32.9
Hoa Binh	40.6	38.7	36.2	34.5
Thanh Hoa	39.8	39.3	37.2	35.8
Nghe An	41.1	38.0	34.7	32.4
Ha Tinh	43.5	41.6	39.1	35.5
Quang Binh	45.9	45.3	41.5	37.9
Quang Tri	36.1	34.8	31.1	29.9
Thua Thien Hue	34.4	32.9	31.4	29.9

	2000	2001	2002	2003
Da Nang	25.9	25.4	25.2	23.6
Quang Nam	35.7	34.2	32.6	30.6
Quang Ngai	38.8	37.5	37.4	34.7
Binh Dinh	36.9	34.0	32.4	31.1
Phu Yen	38.0	34.9	34.2	31.6
Khanh Hoa	32.2	32.0	29.9	26.4
Kon Tum	42.6	38.4	37.9	36.7
Gia Lai	42.9	41.1	38.8	35.6
Dak Lak & Dak Nong	46.8	45.3	41.5	38.7
Lam Dong	32.1	28.9	29.0	27.3
Ninh Thuan	37.3	36.0	35.8	33.6
Binh Thuan	36.0	34.0	31.9	30.3
Binh Phuoc	37.8	35.9	33.5	31.2
Tay Ninh	32.0	29.3	29.5	27.9
Binh Duong	29.5	26.2	26.0	24.1
Dong Nai	28.4	26.6	24.8	21.6
Ba Ria-Vung Tau	30.1	26.4	25.1	23.1
Ho Chi Minh City	14.5	14.8	14.9	11.3
Long An	27.5	25.6	25.1	24.3
Tien Giang	28.2	28.2	25.9	24.5
Ben Tre	31.7	31.6	29.7	28.5
Tra Vinh	29.9	30.5	29.7	28.5
Vinh Long	29.9	31.0	29.4	28.7
Dong Thap	29.8	29.6	28.4	27.0
An Giang	32.0	30.9	30.0	29.1
Kien Giang	29.7	28.1	26.4	25.7
Can Tho & Hau Giang	28.5	27.0	26.5	25.3
Soc Trang	32.0	32.0	31.1	29.2
Bac Lieu	29.4	28.4	28.0	26.3
Ca Mau	31.6	30.0	27.4	25.5
Quang Ninh	29.9	28.0	27.0	25.1

Source: Survey on Child Malnutrition in Cities and Provinces 2002 and 2003

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