

Viet Nam

country report on poverty reduction



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Country Overview



Climate

Tropical & temperate zone
Rainy (May-Sep) Dry (Oct - March)



Ethnic groups

Kinh 86.2%
Tay 1.9%
Thai 1.7%
Muong 1.5%
...



Diversify Culture:

Lunar new year (Tet),
Respect elderly



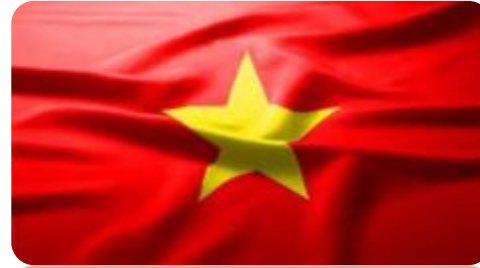
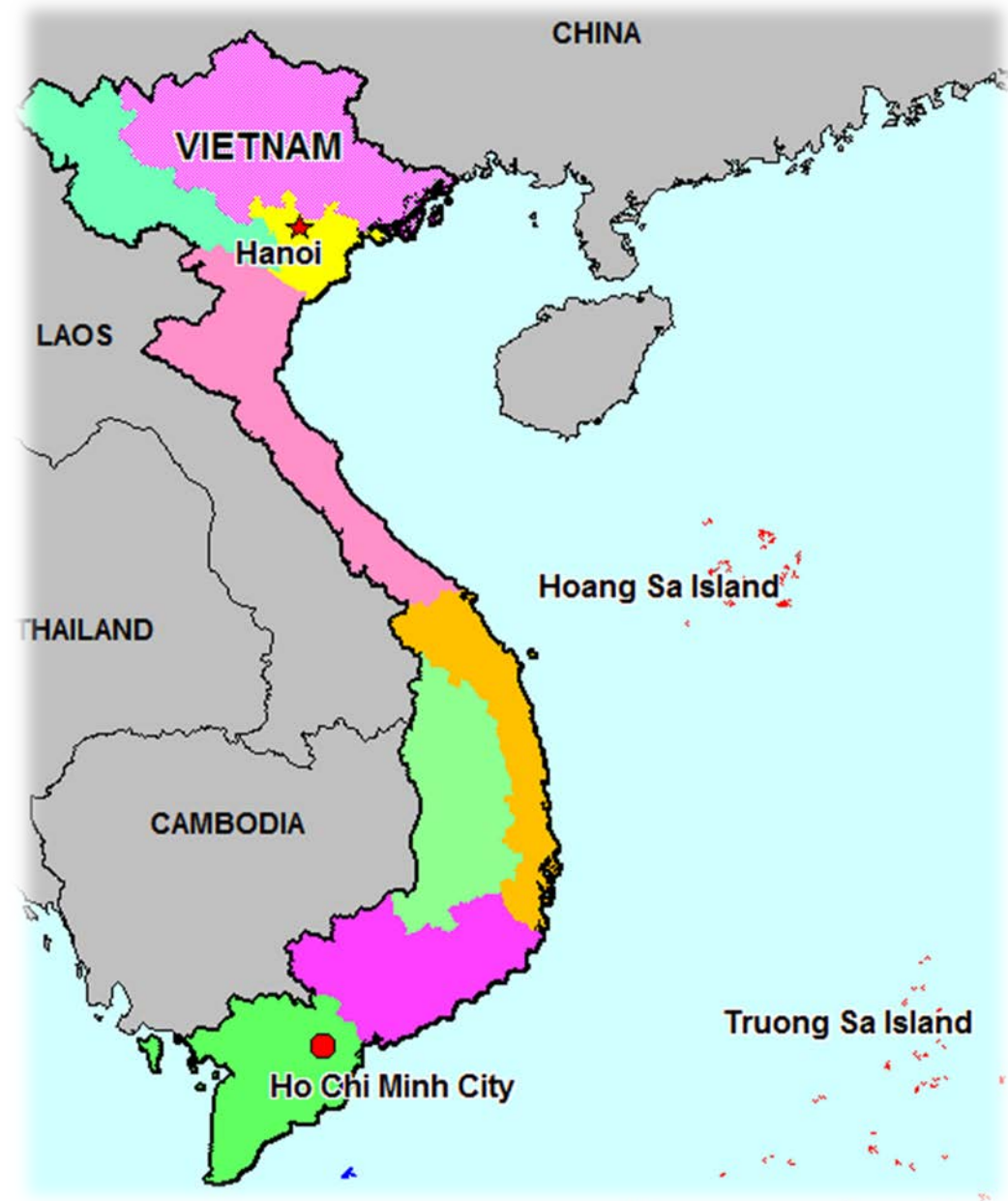
Languages:

Vietnamese (official)
English, French,...



Religions

Buddhism: 85%
Christianity: 8%
Caodaism: 3%
Others: 4%



331,650 Km²
Capital: Ha Noi
61 cities and provinces

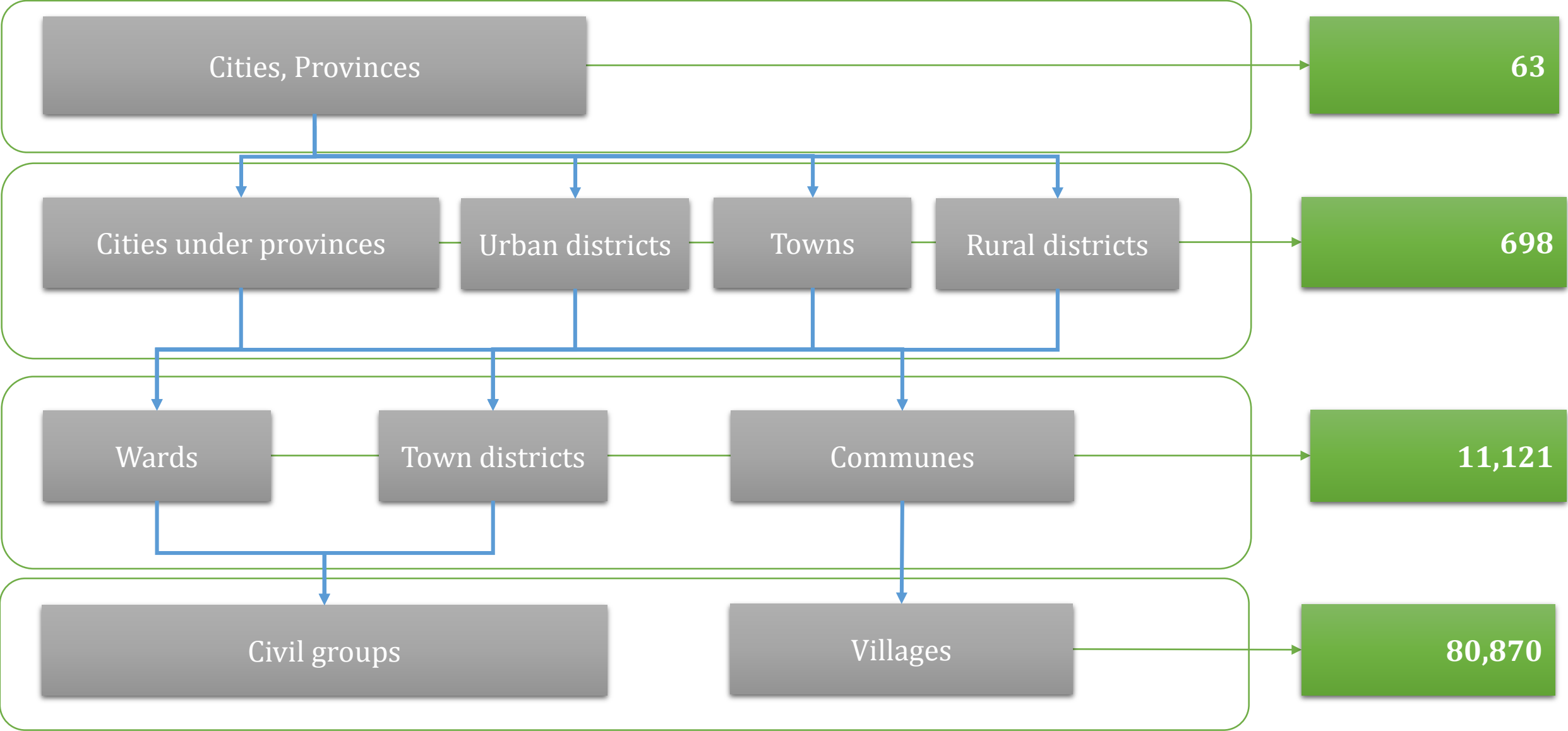


Population
Around 90 million (15th)
Young pop (57% below the age of 30)



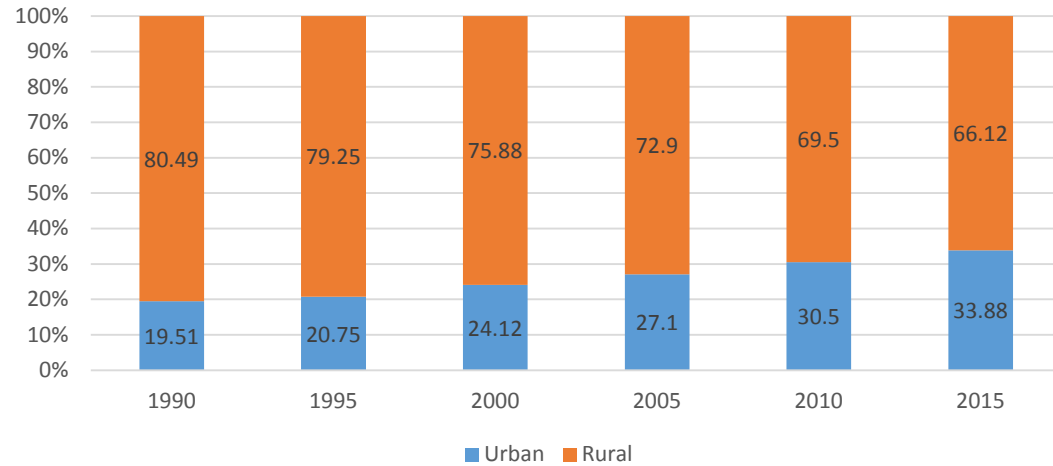
Economy
Average 7% of annual GDP growth
Agricultural based economy

Administrative units

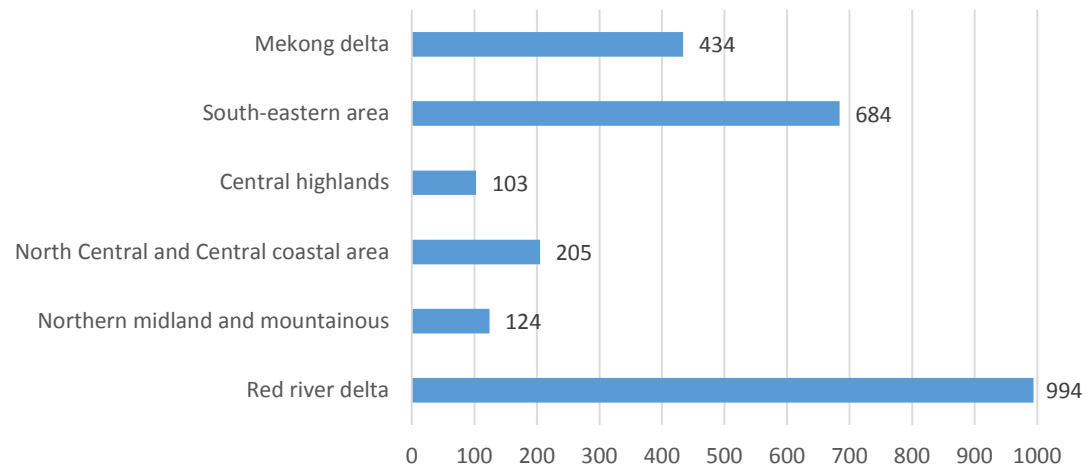


Population

Population structure by residence

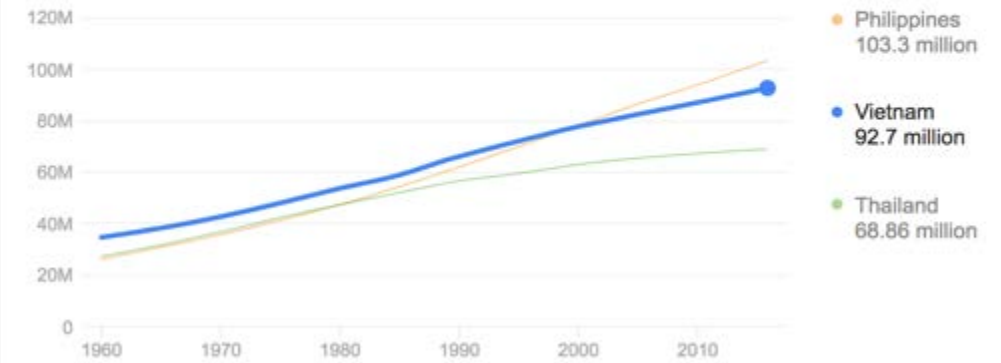


Population density (person/km2)



Vietnam / Population

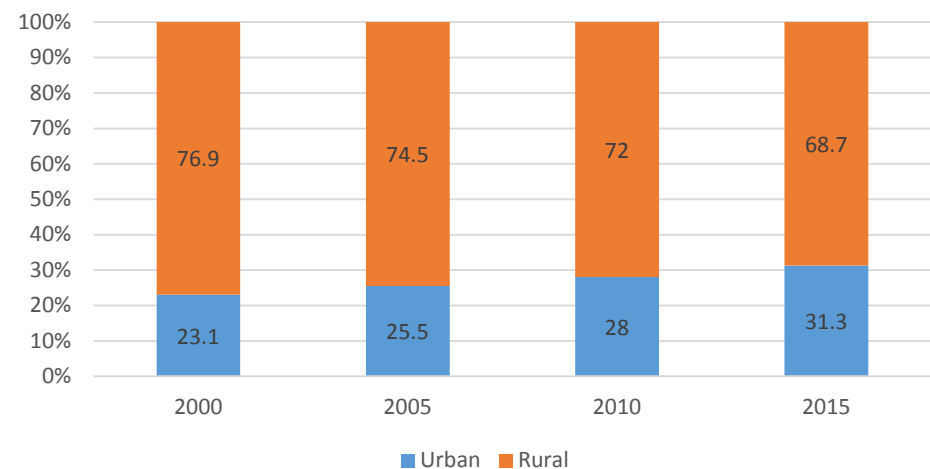
92.7 million (2016)



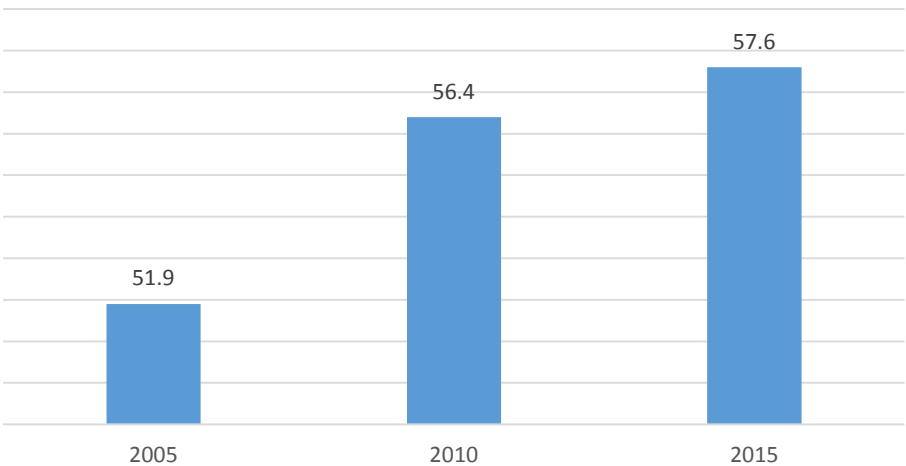
Area (km2)	Population (mill person)	Pop-density (person/km2)
330.966,9	92.9	277

Labor force

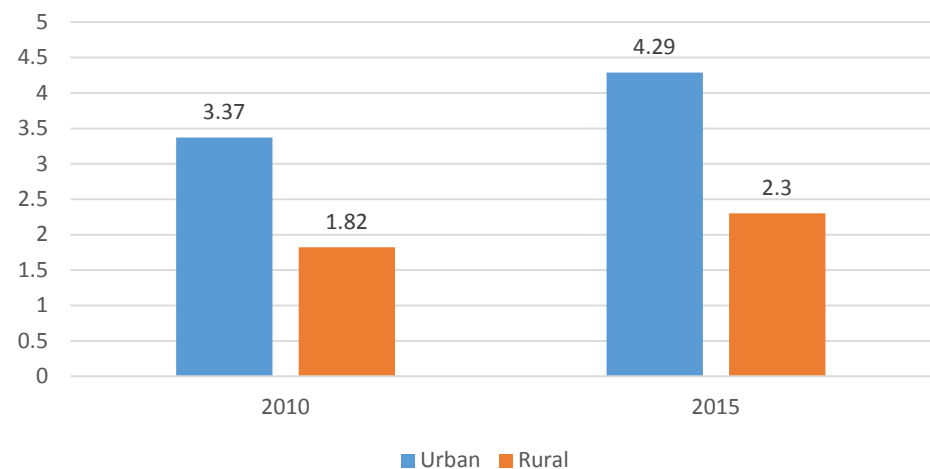
Labor force structure by residence



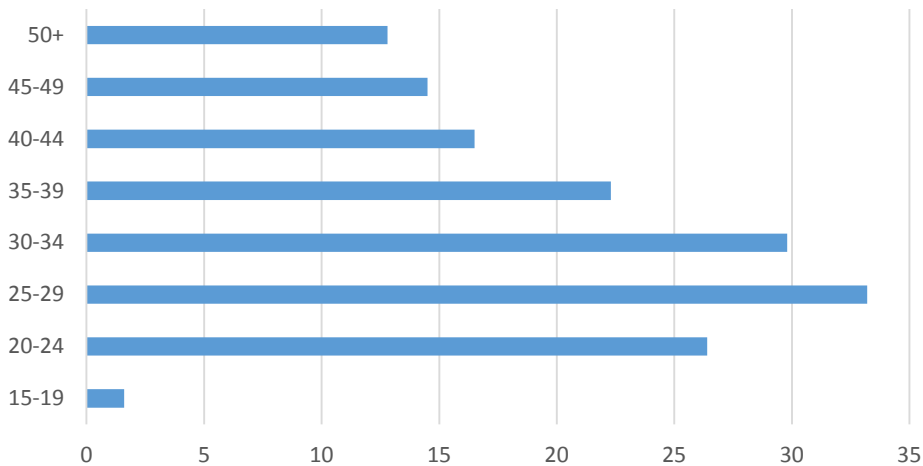
People in working age - population ratio



Unemployment rate by residence



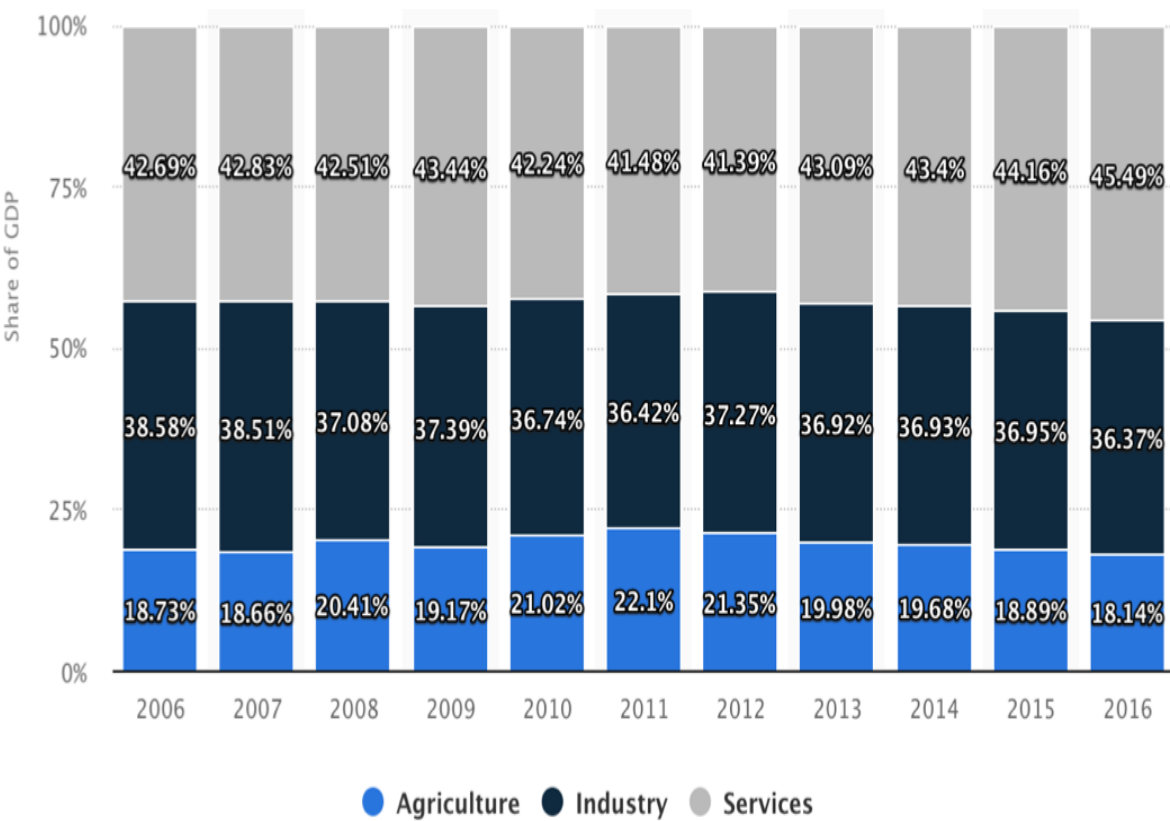
Trained labor force in 2015 by age



Overview of economic development

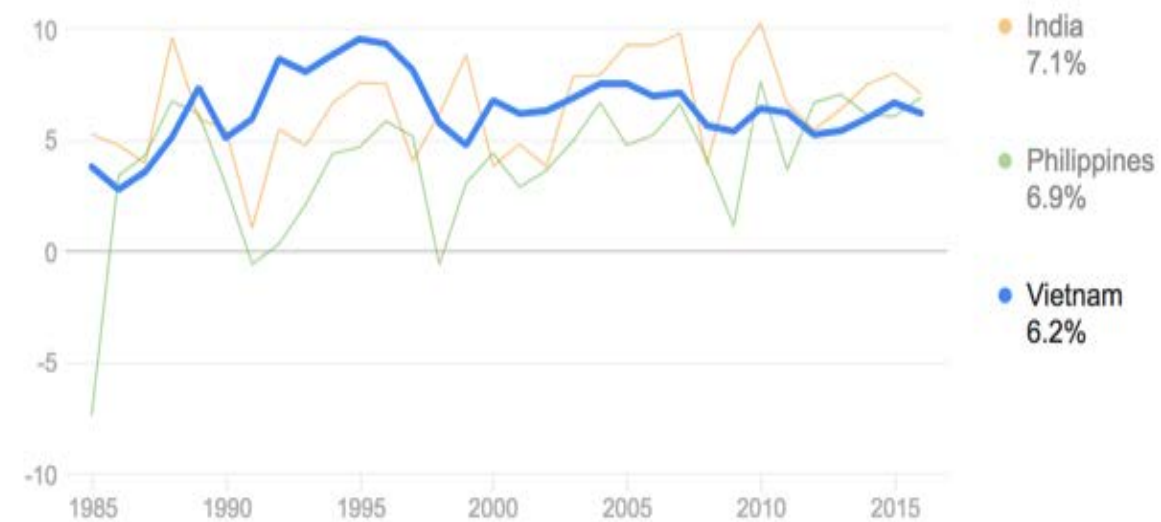
- **Vietnam's development record over the past 30 years is remarkable.** Economic and political reforms under Đổi Mới, launched in 1986, have spurred rapid economic growth and development and transformed Vietnam from one of the world's poorest nations to a lower middle-income country.
- **Vietnam has enjoyed strong economic growth.** Since 1990, Vietnam's GDP per capita growth has been among the fastest in the world, averaging 6.4 percent a year in the 2000s. Despite uncertainties in the global environment, Vietnam's economy remains resilient. The country's medium-term outlook remains favorable, with GDP expanding by 6 percent in 2016, while the country's fundamental drivers of growth – resilient domestic demand and export oriented manufacturing – remain in force.

Overview of development



Vietnam / GDP growth rate

6.2% annual change (2016)



Role of Agriculture



- Foundation for developing economy.
- Agro-sector contribute 18% of total GDP (2016)



Agricultural product Export: usd 19.15 bill (2010), accounting for 26.5 of export turn-over



Providing raw material for food and other industries.



Feeding more than 68.2% of rural population.



Food sources for the entire urban area in Viet Nam.



Absorbing 52% of rural labor.



- Food security
- Poverty reduction
- Social stabilization

Main Agriculture Products



Rice	2010	2015
Area (thousand ha)	7.489	7.830,6
Yield (thousand tons)	40.005,6	45.105,5

Coffee	2010	2015
Area (thousand ha)	554.8	643.3
Yield (thousand tons)	1100.5	1453

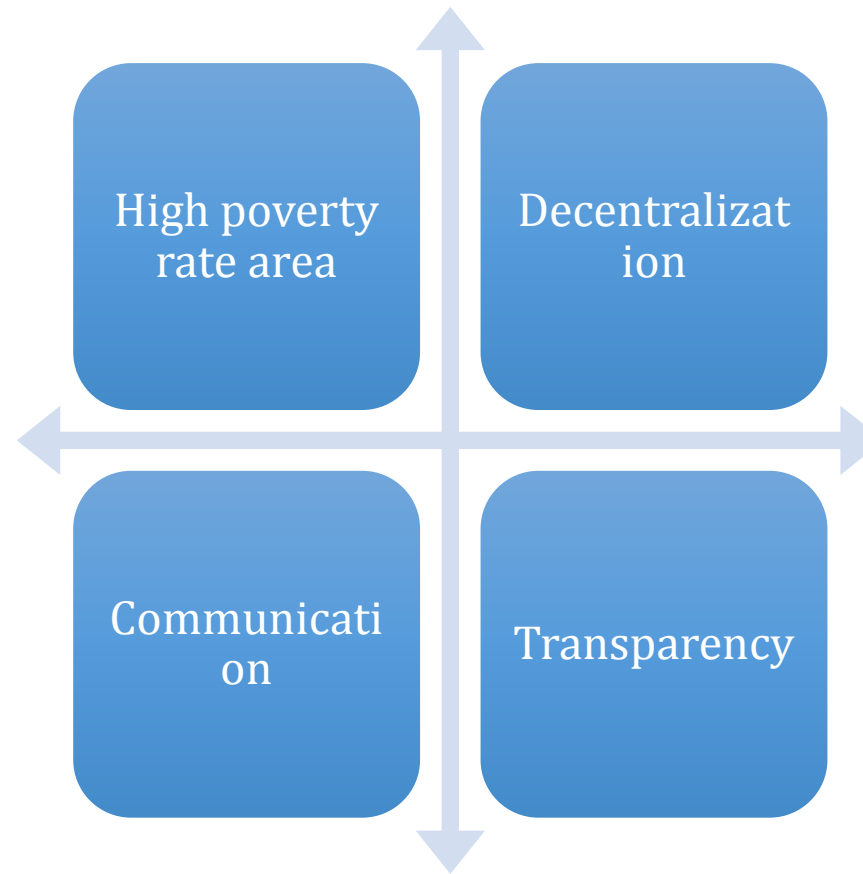
Aquaculture	2010	2015
Area (thousand ha)	1052.6	1067.3
Yield (thousand tons)	5142.7	6582.1

The poverty reduction program since 2008 to date

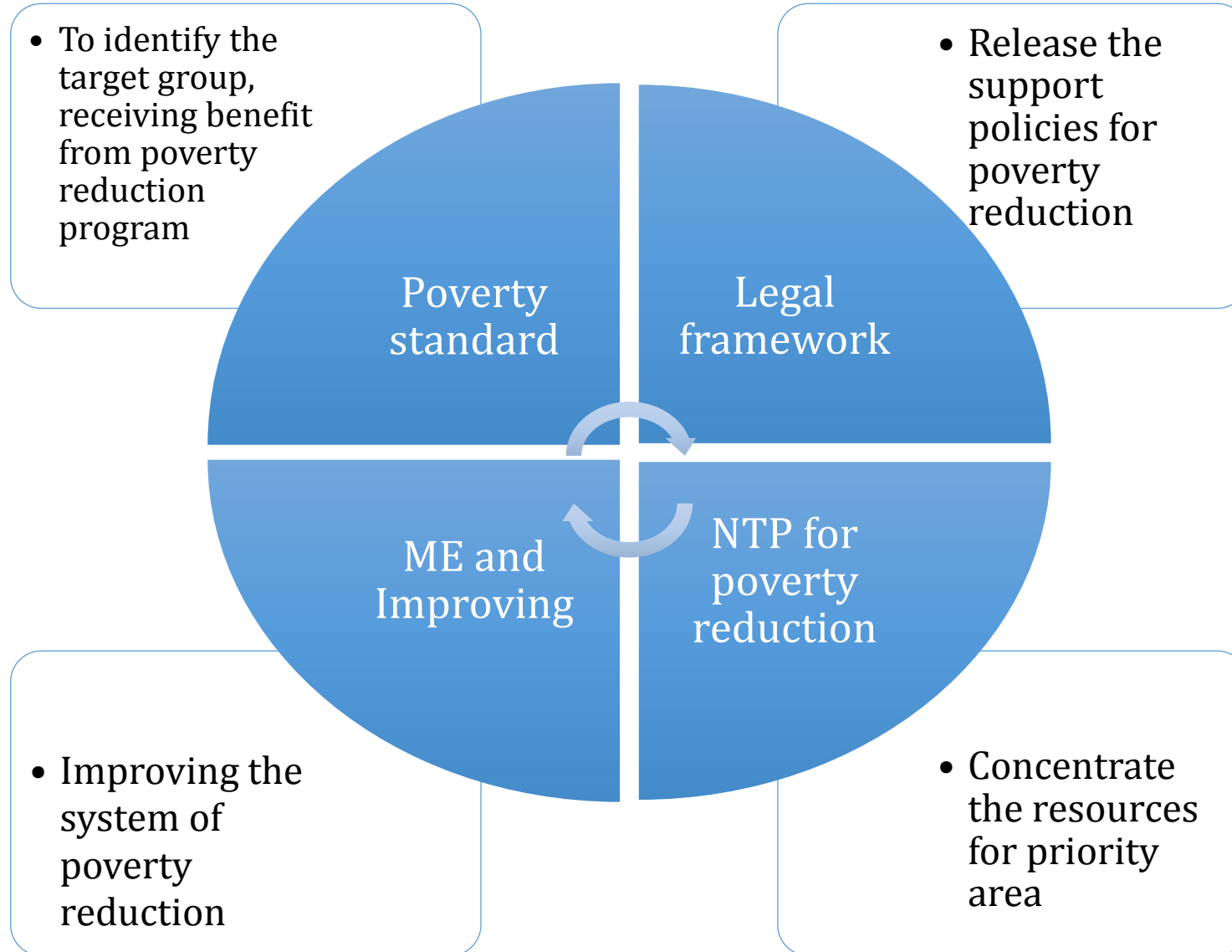
Background

- The poverty reduction program has been implemented officially since 2008, basing its experience from the HEPR, through the following phases: 2008-2000, 2001-2005, 2006-2010, 2011-2015 and now 2016-2020;
- The poverty reduction program is directly managed and implemented by the Government;
- With the participation of the whole political system, and the collaboration with International Organization and INGO

Viewpoint of SPR



Approach



Approach

Poverty standard

- use different factors to determine poverty beyond income-based lists;
- Increased the participation of local people;
- Decentralization to local agencies for certifying poor households

Legal framework for poverty reduction: More than 20 paper related to poverty reduction, including 12 decision of PM, 7 circular of related ministries, and guideline for implementing the poverty reduction.

- Support with condition and repayment, specific duration...
- Expand the target group such as household near poverty line, household escaping the poverty line...

Approach

Resolution Tam Nong is considered as a “roof” of rural development policies in VN

TAM NONG

Master
Planning and
Governance

National
Target
Programs
(NTP)

Law and
Policy
Projects

Specific
Policies/
Programs/
Movements

Local and
Regional
Policies

NTP on New Rural Development (Nong Thon Moi)

The NTP on New Rural Development is considered as a “floor” or “foundation” to implement policies on it

- New Rural Development
- Restructuring agriculture
- Poverty reduction policy
- Resettlement policy
- ...

Approach

National target program for sustainable poverty reduction during 2016-2020:

- Focuses on the most difficult areas, remote areas, ethnic minorities, mountainous areas;
- Comprehensive program: including all previous program such as 30a, 135, communication;
- Multidimensional Poverty Index (MPI): focus not only the main income but also the accessibility of public services such as health, education, housing, clean water and sanitation;

ME and improving the poverty reduction program:

- Regular and random monitoring; baseline, yearly, and final evaluation
- With draw the lesson learn and improving yearly

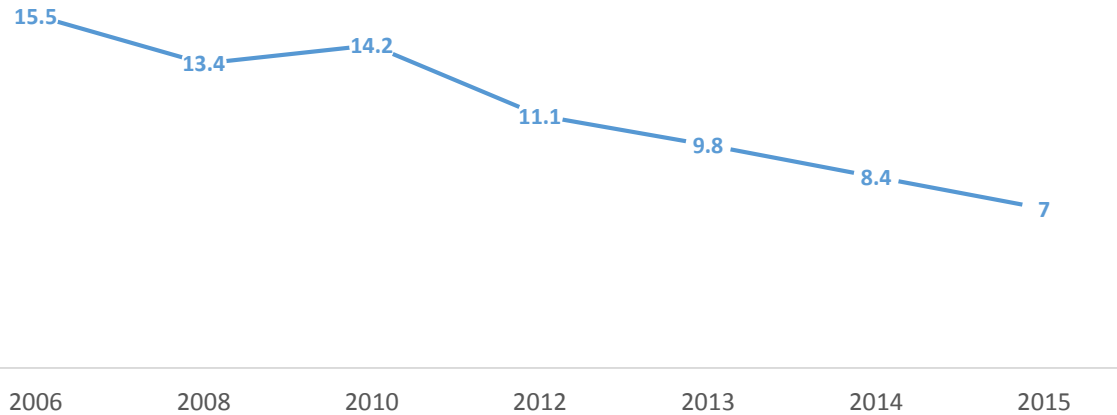
Remarkable result

- Growth has been equitable—with a dramatic reduction in poverty—and social outcomes have improved significantly. In 1993, over half of the population lived on less than \$1.90-a-day. Today, the rate of such extreme poverty has fallen to 3 percent.
- Significant advances in the provision of basic services. The Vietnamese population today is more educated and healthier than twenty years ago—and these advances are enjoyed across society.
- Access to basic infrastructure has also improved substantially. Significant progress were charted from 1993 to 2012.
 - At least 99 percent of the population now use electricity as their main source of lighting compared to 14 percent more than twenty years ago.
 - More than 67 percent of the rural population now enjoy access to sanitation facilities, compared to 36 percent two decade earlier.
 - More than 61 percent have access to clean water, compared to 17 percent two decade earlier.

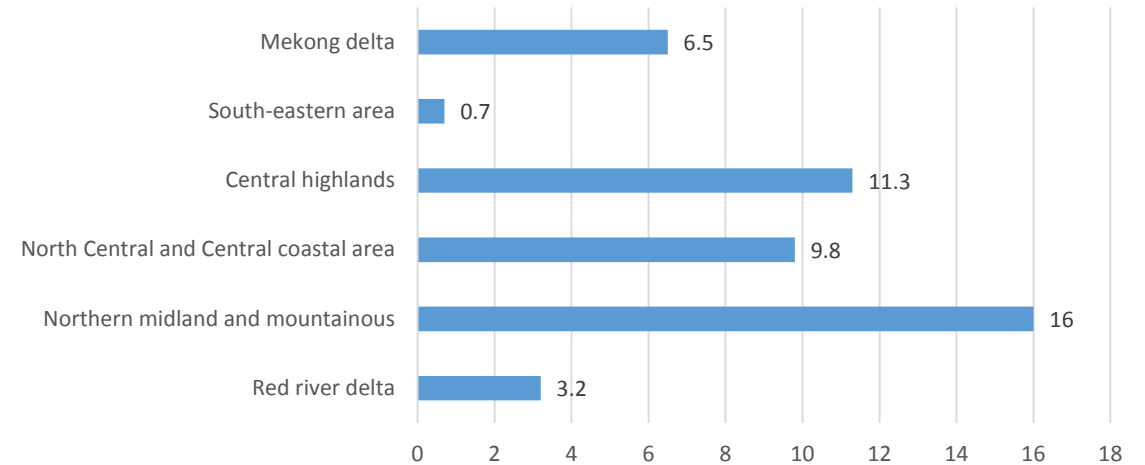
Dramatic reduction in poverty

The poverty rate has fallen from 15.5 percent in 2006 to 7 percent in 2015, more than 40 million people escaped poverty over the course of two decades.

POVERTY RATE CHAIN 2006-2015



Poverty rate by regions



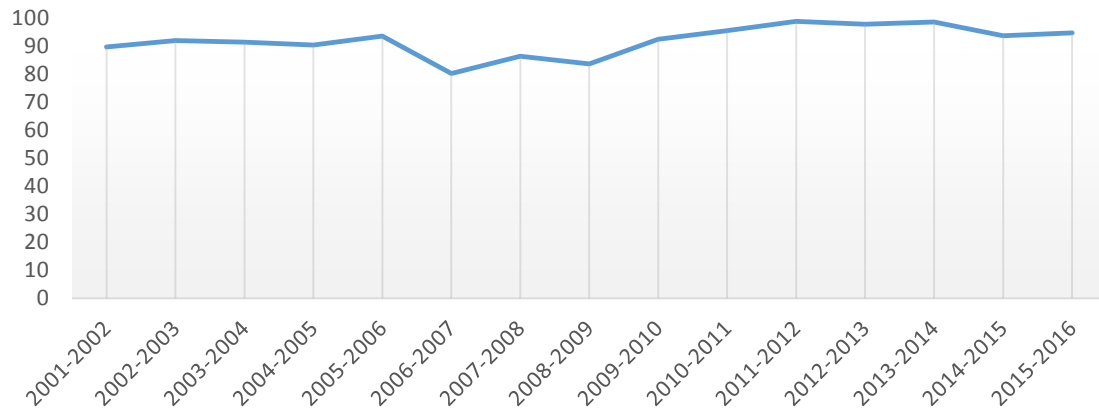
Dramatic reduction in poverty

Year	2006	2008	2010	2012	2013	2014	2015
Whole country	15.5	13.4	14.2	11.1	9.8	8.4	7
Red river delta	10	8.6	8.3	6	4.9	4	3.2
Northern midland and mountainous	27.5	25.1	29.4	23.8	21.9	18.4	16
North Central and Central coastal area	22.2	19.2	20.4	16.1	14	11.8	9.8
Central highlands	24	21	22.2	17.8	16.2	13.8	11.3
South-eastern area	3.1	2.5	2.3	1.3	1.1	1	0.7
Mekong delta	13	11.4	12.6	10.1	9.2	7.9	6.5

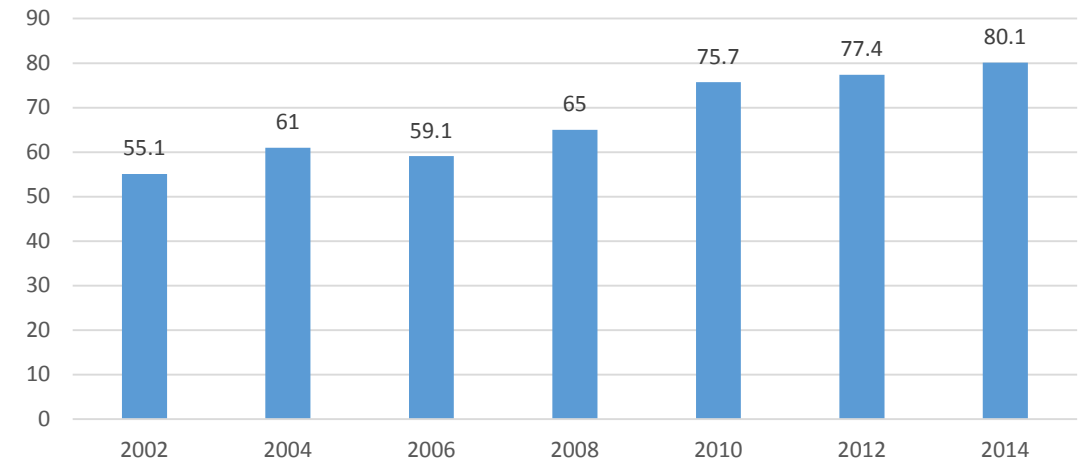
Advances in the provision of basic services and infrastructure

The Vietnamese population today is more educated and healthier than twenty years ago—and these advances are enjoyed across society.

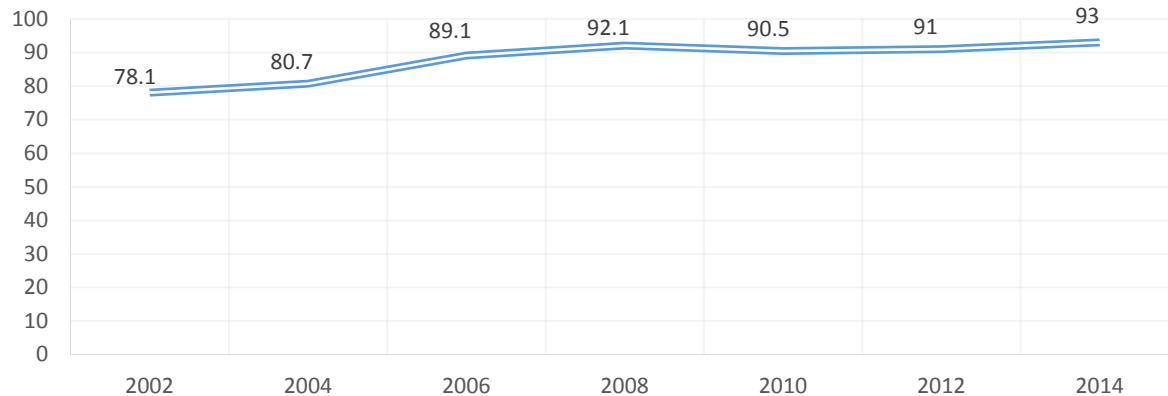
Graduated rate of high school



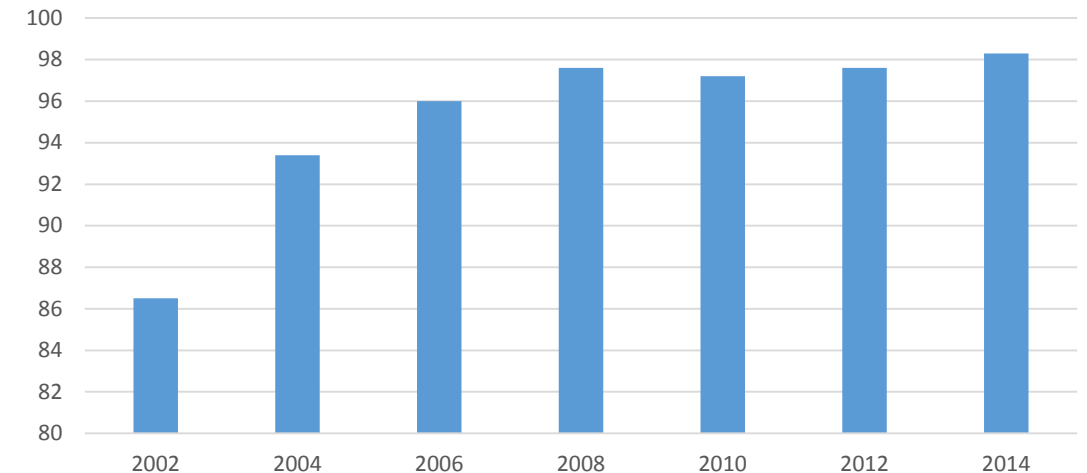
Sanitation rate



CLEAN WATER



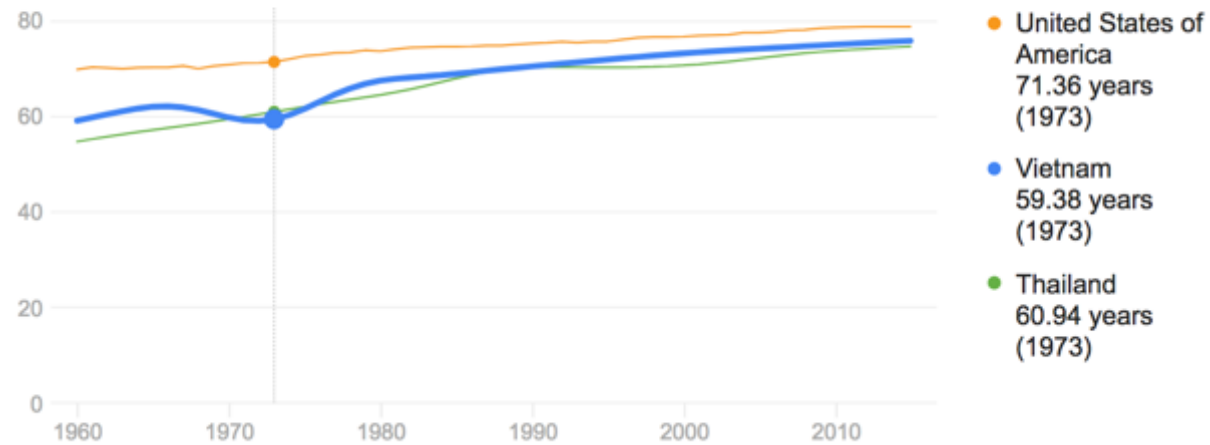
Electricity grid coverage



Advances in the provision of basic services and infrastructure

Vietnam / Life expectancy

75.78 years (2015)



Challenges and limitations remain for Vietnam

- Poverty gains are fragile and a significant portion of the population, particularly in rural areas and among ethnic minorities, is vulnerable to falling back into poverty
- The contribution of productivity growth – the main driver of GDP expansion in the 1990s – has declined over the last ten years. As the growth of the labor force slows, the growth of labor productivity will not likely deliver the growth rates Vietnam aspires to achieve.
- Significant investments over recent decades have made headway, but more productive infrastructure, particularly in energy, transport, water, sanitation, and telecommunication, are needed.
- Continued modernization of the agriculture sector is also key, as agriculture will remain an important driver for growth and poverty reduction in Vietnam for years to come.

The Government of Vietnam continues to show commitment to poverty reduction

- Vietnam's 2011 – 2020 Socio-Economic Development Strategy (SEDS) – a 10 year strategy – highlights the need for structural reforms, environmental sustainability, and social equity.
- The target of NTP of sustainable poverty reduction period of 2016-2020 is to reduce the rate of poor households in the whole country by 1% - 1.5% / year (poor districts, poor communes 4% / year, poor ethnic minorities reduced 3% - 4 % / year).
- The Vietnam government commit to invest at least 46,000 billion VND (2 bill USD) in the period of 2016-2020 for the NTP of sustainable poverty reduction

THANKS FOR YOUR ATTENTION!

