



2020-21 VIETNAM DEVELOPMENT PROGRAM PROGRESS REPORT

The *2020-21 Vietnam Development Program Progress Report* summarises progress for the reporting period 1 July 2020 to 30 June 2021 of implementation of the Australia – Vietnam COVID-19 Response Plan and program highlights.

Our development program to Vietnam contributes towards achieving the following Sustainable Development Goals.

Program Budget	2020-21 Budget Estimate \$m*
Bilateral	57.2
Regional	11.3
Global	7.3
Other Government Departments	3.0
Total	78.9
Temporary, Targeted and Supplementary Measures (TTS)	19.3
Total ODA	98.1

*Actual expenditure is expected to be available in December 2021/ January 2022.



CONTEXT

An increasingly sophisticated Australia-Vietnam bilateral relationship reflects our close strategic and economic ties. In July, Vietnam’s new cabinet approved the next five-year Socio-Economic Development Plan (2021-2025), highlighting a number of priorities relevant to Australia’s development, diplomatic, people to people and economic relationship. Australia is well-placed to assist Vietnam achieve its ambitions, and to increase two-way trade and investment, as envisaged in the forthcoming Enhanced Economic Engagement Strategy.

Throughout 2020 and early 2021, Vietnam was highly successful in managing the COVID-19 pandemic and was one of only a few ASEAN countries to record positive economic growth. In April 2021, Vietnam had recorded under 4,000 infections and 35 deaths. However, **since the beginning of a dramatic fourth wave in late April 2021, both the economic and health impacts have been severe.** By mid-September, there were 624,494 infections and 15,660 deaths, while Vietnam was struggling with vaccine supply, with only five per cent of the adult population vaccinated. The economic tail of the pandemic is expected to be significant for the foreseeable future, and Vietnam’s development trajectory will be affected. However, while the impact of the pandemic has been severe, the longer-term trends underpinning Vietnam’s growth have not gone away. In the short term, gross domestic product growth of 3.8 per cent is forecast for 2021 (revised from 6.7 per cent) and 6.5 per cent for 2022 (Asian Development Bank, September 2021).

In response to the 2021 outbreak, the Government of Vietnam implemented tight restrictions in both the capital, Hanoi, and the epicentre of the fourth wave, Ho Chi Minh City in the south. Many of the country’s health professionals have been deployed to the southern region, placing other areas at risk should there be further outbreaks.

The Government of Vietnam’s focus is firmly on vaccine access and immediate support for livelihoods. In the medium to long term, economic recovery, particularly for vulnerable groups who have been disproportionately affected by job losses and with limited access to safety nets, will be important to regain momentum. Women often work in sectors most affected by lockdown measures, and there has been an increase in calls to violence support centres. Ethnic minority women are already among the most disadvantaged groups in Vietnam, and extended lockdowns may further minimise their education and economic opportunities as well as community leadership roles. People with disabilities are also likely to face more barriers to accessing support.

AUSTRALIA'S RESPONSE and PROGRAM HIGHLIGHTS

Australia's development program continues to align with Vietnam's priorities. Despite a challenging operating environment in the reporting period, most investments were able to adapt their activities to suit the COVID-19 context, while still making progress towards expected outcomes.

Health Security

Australia is a key partner for Vietnam in its efforts to combat COVID-19 and has a particular focus on supporting Vietnam's COVID-19 vaccine rollout. Australia has committed \$60 million over three years (2020-2023) for COVID-19 vaccine access in Vietnam, including delivery support and vaccine procurement, drawing on Australia's **Regional COVID-19 Vaccine and Health Security Initiative** and bilateral funding. Australia has also committed to share 1.5 million AstraZeneca vaccine doses with Vietnam by the end of 2021, with 400,000 delivered to Ho Chi Minh City in August and 300,000 to Hanoi in September and another 800,000 to Hanoi in October. This is in addition to Australia's support to the COVID-19 Vaccines Global Access (COVAX) Advance Market Commitment totalling \$130 million. As at end 30 June, this global mechanism had delivered almost 2.5 million COVID-19 vaccine doses to Vietnam.

In April 2021, Australia launched a \$13.5 million partnership with United Nations Children's Fund (UNICEF) to support COVID-19 vaccine delivery in Vietnam. UNICEF has **procured 1,900 refrigerators and five refrigerated trucks** to upgrade Vietnam's cold chain storage, procured five million syringes, developed and disseminated COVID-19 vaccination information, and conducted a survey to understand the social drivers behind COVID-19 vaccine access in Vietnam.

In addition to our support for Vietnam's COVID-19 vaccine rollout, **we helped to strengthen public health preparedness and response efforts** in the reporting period, through activities supported by the Indo-Pacific Centre for Health Security. These included conducting five studies on the health policy, social, immunological and clinical impacts of COVID-19 in Vietnam in collaboration with the National Hospital for Tropical Diseases; research on antimicrobial resistance; and supporting two Vietnamese students to undertake field placements to strengthen Vietnam's capacity in epidemiology, surveillance and data analysis, through Australia's ASEAN-Australia Health Security Fellowship program.

In October 2020, the central region of Vietnam experienced prolonged, heavy rains that caused **severe and widespread flooding and landslides**. Vietnam reported more than 100 deaths, with 178,000 houses flooded, and millions of people affected. In response, **Australia provided \$2.1 million in humanitarian support via UNICEF and the Australian Humanitarian Partnership through four non-government organisations**. In total, 128,595 people directly benefited from Australian humanitarian assistance across water, sanitation, hygiene, livelihoods recovery, mental health and psycho-social support, and protection measures (women and girls were a strong focus of our support).

Access to **safe drinking water** is a fundamental need. Through the Aus4Innovation program, safe water was provided to more than 6,000 people, including those affected by the floods in central Vietnam.

A funding round for Australia awards alumni supported research into the psychological, sociocultural, and political factors affecting the acceptance of COVID-19 vaccines in Vietnam. Research and recommendations were provided to the Government to assist Vietnam's vaccine roll-out. Grant funding also supported research on the physical, mental and social barriers among people with disabilities in Ha Tinh province in the context of COVID-19. Findings will help families and health operators better support people with disabilities throughout the pandemic.

Stability

At the onset of the pandemic, Australia and the United Nations (the United Nations Population Fund, UN Women and UNICEF) designed a **12-month, \$2.5 million emergency response initiative to address safety risks for women and children in quarantine or living under shelter-in-place orders**. This initiative supported innovative communication activities (online and offline) in the reporting period, to ensure that information about hotlines and support services reached women and children survivors of violence. An estimated **13,000 calls for consultations were received by hot lines and 832 survivors of violence received support from trained staff**. The #BlueHeart Communications Campaign, targeting a younger audience, reached more than 100 million views across more than 40 Facebook posts, with more than 16 million views of 10 videos about services and staying safe. Over 150,000 communications materials were distributed, including up to 10,700 leaflets on gender-based violence in 100 mini-marts and pharmacies (the first points

of contact in a lockdown situation) as well as material on guidelines for the safety of women and children in quarantine centres, and mental health and psychosocial support for children and adolescents. Training activities for services providers improved the capability of 1,559 social workers, National Child Protection helpline staff and key officers in social welfare, health and education sectors.

Displacements are disruptive, and can lead to a loss of possessions, with certain groups having specific needs. In response to the pandemic, **6,644 dignity kits were provided to women in quarantine camps and lockdown areas in the reporting period**. Over 500 vulnerable children, including those with disabilities, were supported.

Economic Recovery

In the COVID-19 context, strong economic ties will be critical to a shared recovery for both Australia and Vietnam. The sophistication of the bilateral relationship is reflected in the interconnectedness of priorities across the development, diplomatic, trade and commercial and people to people agendas of a range of Australian Government agencies.

Under the Aus4Equality program, Australia supported the economic empowerment of women in Northwest Vietnam, with a focus on ethnic minority communities. This included facilitating women's participation in agricultural value chains and tourism markets, improving access to finance, and providing technical knowledge and skills. Around **82 per cent of women beneficiaries reported increased confidence in farming techniques and tourism services**, and a total of **9,666 households reported increased incomes**. A further USD2.07 million was also leveraged from the private sector.

The Investing in Women program supported partners to adapt to the changing COVID-19 circumstances. Despite the impact of the pandemic on many businesses, the Vietnam Business Coalition recruited three new clients, and continued with gender equality certifications for businesses. There was an increase in investor funding in education, training and fintech platforms. **A 22 per cent increase was reported in jobs created through Women-Small to Medium Enterprises**, with work undertaken to restructure capital and build a pipeline of investment-ready projects.

The Aus4Skills program promoted industry engagement to provide inclusive training practices to logistics students, including people with disabilities. Enrolments of logistics students in partner colleges supported by Aus4Skills increased eight-fold from 187 (including 25 women) in 2017 to 1,440 (including 517 women) in 2021, accounting for 40 per cent of all newly enrolled logistics students in Ho Chi Minh City – a leading logistics training hub.

Through our partnership with the World Bank, two analytical products on women's economic empowerment were completed - on joint land titling and perceptions of gender disparities in Vietnam's labour market. The World Bank also provided advice on employer obligations and standards around childcare services, including in industrial zones, as part of revising the Labour Code. Australia is also supporting **a gender assessment of the Social Insurance Law to further close the gender gap in the pension age and improve social protection policies**. As a result, **more than 3.13 million beneficiaries will receive increased social assistance monthly benefits** (about 33 per cent up from the current amount). A pilot project on e-payments to social assistance programs was expanded to three provinces of Vietnam, meaning 13,366 beneficiaries were able to receive social benefits through e-payment accounts. The World Bank also launched a free trade agreement (FTA) portal in December 2020 to facilitate Vietnam's integration into global trade in the COVID-19 context. Through our partnership with the World Bank, Australia also provided advisory support on data sharing and on a suite of COVID-19 economic advice to bolster macroeconomic and fiscal monitoring, to support stimulus measures and to accelerate priority reforms after the health crisis is resolved.

The Aus4Reform program is undertaking policy analysis to help alleviate the economic impacts of COVID-19 including research to assess the impact of COVID-19 on the agriculture, tourism, and manufacturing sectors. **The Aus4Transport program is improving the quality of transport infrastructure and has helped secure government investment decisions to facilitate USD384.5 million in two major road upgrades** in the disadvantaged Northwest and Central Highlands regions. Alongside the Commonwealth Scientific and Industrial Research Organisation and its work on the digital economy and resilient agriculture and food systems through the Aus4Innovation program, the Australian Centre for International Agricultural Research worked across Vietnam to diversify agricultural commodities and create more climate-resilient industries and practices.

ANNEX 1: PROGRESS AGAINST COVID-19 RESPONSE PLAN RESULTS INDICATORS

Health Security

Key Results Indicators	Progress/Result
Evidence of improved health system functionality, including number of children immunised, number of Couple Years of Protection ¹ (CYP) achieved through access to contraceptive services, and / or improved community sanitation or disease prevention practices	Supported 22,112 CYP. Supported results attributable to Australia's support to the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund). For the 2020-2022 Vietnam received USD145,948,256 to fight HIV/AIDS, tuberculosis and malaria. In addition, during this reporting period Vietnam received USD47,852,453 from the Global Fund to respond to COVID-19.
Number of people vaccinated	Supported approximately 400,000 COVID-19 vaccines to Ho Chi Minh City and two separate deliveries of 300,000 and 800,000 vaccines into Hanoi to meet Australia's commitment to deliver 1.5 million COVID-19 doses by the end of 2021. As at end June Vietnam received 2,493,600 COVID-19 vaccine doses as part of the COVAX AMC, to which Australia contributed \$130 million.
Number of people accessing Water, Sanitation and Hygiene, mental health and psycho-social support, protection	Supported 128,595 people to access water, sanitation, hygiene, mental health and psycho-social infrastructure and services. Supported 117,049 people to access information, services and products for sexual and reproductive health and family planning.
Evidence of partnerships, significant people-to-people engagements and institutional collaboration which contribute to health system strengthening in Vietnam	Supported a partnership between the University of Sydney and the Health Strategic Policy Institute (Vietnam) to developed capacity for early breast cancer detection for about 100 radiologists from 25 hospitals. Under the Combating the emergence and spread of antimicrobial resistant infectious diseases in Vietnam partnership (a grouping of Australian, Vietnamese and Swedish institutions), supported research on antimicrobial resistant disease.

¹ Couple Years of Protection is the estimated protection provided by contraceptive methods during a one-year period, based upon the volume of all contraceptives sold or distributed free of charge to clients during that period.

Stability

Key Results Indicators	Progress/Result
The Vietnam-Australia Centre (VAC) is established and has provided leadership and public policy skills training to Vietnamese leaders	Formal establishment of the VAC is currently pending Government of Vietnam approval. Interim leadership training and economic research have been delivered.
Evidence of improved inclusion of vulnerable groups in Vietnamese society and COVID-19 recovery support	In partnership with the World Bank, supported the Government of Vietnam to improve social protection policies. As a result, more than 3.13 million beneficiaries will receive increased social assistance monthly benefits. An e-payment pilot enabled an additional 13,366 beneficiaries to receive assistance. Supported Government of Vietnam's economic policy response to COVID-19 including: developing options for medium-term economic recovery and institutional reform, such as assisting micro and small enterprises to access and use support policies effectively; conducting impact assessments for crucial sectors (textiles, footwear and electronics) and proposing recommendations for economic recovery post-COVID-19; and providing recommendations on opportunities and challenges for Vietnam's agricultural trade in the context of the pandemic.
Increased support available to women survivors of gender-based violence	Supported counselling services for 836 women and children seeking support. Supported the training of 1,559 social workers on violence against women and girls and case management. Supported the distribution of 6,644 Dignity Kits.
Examples of policy or practice uptake as a result of advice or technical assistance on building resilience to future shocks and supporting improved agricultural practices and water management	Supported the development of decrees to guide the Land Law on agricultural land. Supported studies on transferring rural labour to higher productivity sectors in the Mekong River Delta area; and agricultural vocational training for rural workers in Vietnam.
Design of a new activity on energy security to support economic stability	Commenced a scoping study on energy and climate sectors in Vietnam that will underpin the design of new support on energy and climate.

Economic Recovery

Key Results Indicators	Progress/Result
Examples of economic policy or practice taken up by Vietnamese institutions as a result of advice and technical assistance provided	<p>In partnership with the World Bank, supported timely advice on Decree 145 of the Labour Code to clearly articulate employer obligations and standards relating to childcare services, including in industrial zones.</p> <p>Supported the preparation of data processing models to assess the impacts of technological creation and adoption on economic growth and productivity. These were provided to the State Agency of Technology Information to inform evidence-based policy making at the Ministry of Science and Technology and other relevant ministries. Results from these models have been used as inputs to develop the new 10-year National Science, Technology and Innovation Strategy.</p>
Evidence of increased investment in infrastructure	Supported Government of Vietnam preparations two major road upgrades in the disadvantaged regions of the Northwest and Central Highlands. This will facilitate USD384.5 million in investment in vital national infrastructure.
Number of participants provided with improved business, technical or management skills for improved workforce participation	<p>Supported 85 Vietnamese participants (60 women, 3 people with disabilities) to completed Australia Awards short courses on change management, competency-based training and assessment, and women's leadership.</p> <p>Supported the training of 26,568 women on farming techniques, processing, tourism and business management.</p>
Number of women provided with economic empowerment opportunities including through business or financial support	<p>Supported 6,883 women to improve their understanding of markets and 175 women entrepreneurs to develop skills in business management, leadership, use of ecommerce platforms and access to finance.</p> <p>Under the Investing in Women program, supported 17 women entrepreneurs, with financial and /or business development services to help women of tech-based start-ups articulate their business narratives for growth, team building and fundraising.</p>
Examples of partnering with the private sector and other partners (or government) to ensure supply lines are open to promote the utilisation of FTA provisions and to support increased trade	<p>Supported the establishment of 36 partnerships for innovation on the themes of: Digital Economy Development; and Resilient Agriculture and Food Systems. These partnerships will directly stimulate technology exchange and contribute to increasing trade and openness of economic activities.</p> <p>In partnership with private sector companies provided grant financing for activities, networking, knowledge exchange and expertise sharing. A dedicated COVID-19 Green Recovery Round led to support for four new partnerships on the themes of green transitions and climate resilience. These four partnerships could leverage up to \$9 million in private sector investment.</p>

ANNEX 2: INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
Human Resource Development Facility Investment duration: 2016-2025; Budget: \$76m	2021	5	5	6
	2020	5	5	6
Australia World Bank Partnership Phase 2 Investment duration: 2017-2023; Budget: \$35m	2021	5	5	5
	2020	5	5	5
Aus4Equality Investment duration: 2015-2022; Budget: \$43.3m	2021	5	4	5
	2020	4	5	5
Aus4Transport Investment duration: 2016-2022; Budget: \$30.5m	2021	5	4	4
	2020	4	4	4
Aus4Reform Investment duration: 2017-2025; Budget: \$19.4m	2021	4	4	4
	2020	4	4	4
Aus4Innovation Investment duration: 2018-2022; Budget: \$13.45m	2021	4	4	4
	2020	4	4	4

FINAL INVESTMENT PERFORMANCE RATINGS

Investment Details	Year	Effectiveness	Efficiency	Gender
Climate Innovation Centre Investment duration: 2013-2020; Budget: \$4.65m	2021 FIMR	4	4	3
	2020 IMR	4	4	4

Definitions of rating scale:

Satisfactory (4, 5 and 6)

6 = Very good; satisfies criteria in all areas.

5 = Good; satisfies criteria in almost all areas.

4 = Adequate; on balance, satisfies criteria; does not fail in any major area.

Less than satisfactory (1, 2 and 3)

3 = Less than adequate; on balance does not satisfy criteria and/or fails in at least one major area.

2 = Poor; does not satisfy criteria in major areas.

1 = Very poor; does not satisfy criteria in many major area.