



TFESSD Mobilizing Rural Institutions for Sustainable Livelihoods and Equitable Development

VIETNAM CASE STUDY

Country context

- Ongoing transition from central planning to market economy since late 1980s
- Rapid growth (7.5% p.a.) sustained for 15 years
- Poverty incidence down from 58% (1993) to 20% (2004) within a decade
- Still an agrarian society with poverty mainly rural
- Customary institutions proving resilient, and adapting dynamically through interplay with the market and formal institutions
- But legal framework still insufficiently enabling and space for/ tolerance of civil society newly emerging
- Need for institutional re-alignment a recurring theme in Ministry of Agriculture and Rural Development's (MARD) five-year plan (2006-10), and in Bank's recent Rural Strategy Update



Scope of case study

- Typology of rural institutions in Vietnam
- Forms of institutional adaptation during transition from central planning to market economy
- Understanding drivers of change, change management processes
- Fostering inclusion of the poor, among other outcomes



Drivers of rural institutional change

- Growing economic integration, emergence of new commodity value chains (with spatially diverse outcomes)
- Internal migration (rural-rural and rural-urban), migrant networks
- Changing rules governing access to and control over key natural resources (land, forests, water resources)
- Decentralization and grassroots democracy (e.g. reforms in national target programs for poverty reduction)
- Reform of state-owned enterprises including state-owned forest enterprises
- Emergent professional associations
- Changing roles and legal framework for formal cooperatives (including 'new-style' cooperatives)
- Need to distinguish formal cooperatives from informal/voluntary collective action groups in various fields (e.g. NRM user groups, credit unions, agricultural extension clubs, informal marketing networks)

Methodology

- Desk study to identify main rural innovations and institutional settings
- Initial consultation to map forms of rural institutional innovation and define case studies
- Field case studies to examine forms of RI innovation, adaptation, inclusion aspects, and outcomes:
 - Focus on understanding drivers of change and change management processes
 - Interactions among institutions explored, particularly between formal and informal institutions & adaptive change in customary institutions
 - Combining interviews with structured focus-group discussions held separately for main groups of members and non-members;
- Combine with insights from household survey panel data from 12 provinces (2004 & 2006)
- Final national workshop for verification of findings and key messages, and consensus building

Possible case studies

- 4 provinces representing diverse regional conditions, 2-3 case studies in each:
 - Ha Giang (northern uplands, innovation in irrigation management)
 - Hung Yen (Red River Delta, innovation in agricultural value-chains e.g. for rice and pork)
 - Quang Tri (central coast, innovation in disaster management)
 - Kien Giang (Mekong Delta, innovation in grassroots democracy and empowerment)
- Different experiences with collectivization in South and North Vietnam an important factor in explaining RI forms and outcomes
- Relatively more space for civil society and deeper forms of market integration in South

Expected Outputs

- Case study reports (up to 10)
- Consolidated country case-study report (outline to be provided)
- Awareness around and consensus built for needed forms of RI support
 - e.g. development of value chains led by Ministry of Agriculture and Rural Development
 - e.g. revision of Cooperative Law led by Ministry of Planning and Investment
- Strengthened capacity of local policy research institutions to undertake critical analysis

Issues

- Field case-study selection: How to maximize value-added and ensure each element brings something distinct? How to balance country-led agenda with comparative analytical agenda of overall TFESSD study?
- TA needs: possibility of IFPRI specialist to assist team in designing survey tools, especially on difficult questions, e.g. incentives and political economy, and ensure methodological consistency?
- Consultant selection: Can SSS be applied to the research institution which helped develop case study proposal, in view of low overall budget (necessitating building on existing, proprietary research) and quality of proposal?