

Ministry of Natural Resources and  
Environment (MONRE)

## STAKEHOLDER ENGAGEMENT PLAN

Viet Nam Partnership for  
Market Implementation (PMI) Project

Hanoi, April 2023

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## ACRONYMS AND ABBREVIATIONS

DPC	District People's Committee
CPC	City People's Committee
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environment and Social Management Framework
ESS	Environmental and Social Standards
GOV	Government of Vietnam
GRM	Grievance Redress Mechanism
LMP	Labour Management Procedures
PAD	Project Appraisal Document
PAP	Project Affected Person
PMU	Project Management Unit
PPC	Provincial People's Committee
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
WPC	Ward People's Committee
WB	World Bank
GHG	Greenhouse gases
CPI	Carbon pricing instruments
ETS	Emission Trading Scheme
NCP	National Crediting Program
ESCP	Environmental and Social Commitment Plan
PMU	Project Management Unit
PD	Project Director
ESO	Environmental and Social Official

## EXECUTIVE SUMMARY

This document is called the Stakeholder Engagement Plan (SEP) and it has been prepared by *Ministry of Natural Resources and Environment* for the Viet Nam Partnership for Market Implementation (PMI) Project. The SEP has been prepared in line with the World Bank's Environment and Social Framework, specifically the Environmental and Social Standard 10 (ESS 10): Stakeholder Engagement and Information Disclosure. This document is considered a living document and shall be modified as the project is designed and implemented. The Executive Summary should not be relied for full information; the full SEP should be read for this purpose.

The proposed *Viet Nam Partnership for Market Implementation (PMI) Project* will develop legal framework, technical infrastructure and enhance capacity in order to pilot the emission trading scheme and national crediting program in Viet Nam. The project has the following components:

Component 1: Proposing the policy framework to enhance and expand the scope of Viet Nam's carbon market. This component aims to study and propose the detailed road map of activities that need to be implemented in order for the operation of the carbon market to be in line with Viet Nam's net zero target and international commitment such as coal phase out. Also, there will be activities and studies that focus to explore the potential of other sectors to participate in the carbon market such as the transport sector, and to enhance the readiness and participation of private sector.

- Component 2: Developing the technical infrastructure to operate the carbon market. This component aims to develop technical aspects in order to operate the carbon market such as the establishment of the emission registry and reporting system, study of the carbon trading exchange, governance and management scheme. Also within this component, there will be activities to develop MRV guidance for pilot sectors in the ETS, specifically the thermal power, steel, and cement production sectors.

Component 3: Supporting the pilot of the Emission Trading Scheme and National Crediting Programme. For the pilot of NCP, the component will develop the recommendation for governance arrangements and technical elements such as analysis of recommended staff capacity and qualifications, as well as descriptions of roles and responsibilities, guidance to develop the projects eligible for the NCP. Also, the project will provide support to potential project developers to participate and pilot the NCP. For the pilot of ETS, the project will focus on clarifying outstanding elements related to the scope and coverage of the ETS, as well as establishing the approach towards setting the cap and to allowance allocation. It will also provide recommendations for the governance of the system, including establishment and management of the compliance cycle and enforcement approach. In addition, the project will finalise the scope of the ETS and develop the technical detail of the allocation methodology. On allocation, the focus is on the development of benchmark values for the thermal power, steel and cement sectors and on finalizing recommendations for facility-level allocation

Component 4: Capacity building. This component will focus on stakeholder engagement, communications, and capacity-building. Activities include development of a mapping of

stakeholders from government, private sector and civil society to be engaged in policy design and implementation of both ETS and NCP, development of stakeholder engagement plan, communication strategy and capacity building strategy for ETS and NCP implementation, and implementation of capacity building activities for line Ministries and private sectors.

Detailed information about the project and its components can be found in the *Project Design Document as well as the Implementation Support Plan*. This SEP will be managed and implemented by the Ministry of Natural Resources and Environment. The overall objective of this SEP is to define the project's stakeholders and the process for engaging them, including how information will be disclosed and the opportunities, timing and methods of consultations throughout the project life cycle. The SEP also notes how stakeholder's comments will be taken into account and responded to, and describes the project's grievance mechanism.

The SEP has identified the following project stakeholders:

- **Affected Stakeholders:** The project will involve the participation of several line Ministries, specifically Ministry of Natural Resources and Environment, Ministry of Industry and Trade, Ministry of Construction, Ministry of Transportation, Ministry of Finance, Ministry of Planning and Investment. The project aims to support Viet Nam piloting the emission trading scheme in thermal power, steel and cement sectors; and piloting the national crediting program in waste sectors. Therefore, facilities within those sectors will also be affected. Other affected stakeholders include other firms not regulated directly by the ETS, for example consumers, manufacturers and suppliers at different points in the supply chain. The Vietnam Chamber of Commerce and Industry (VCCI) and associations will play an important role in presenting aggregate views on business interests and serve as a conduit of information to their members and consumers.
- **Interested Stakeholders:** The project will include several activities to enhance capacity and raise awareness of both public and private sector related to the development of carbon market. Several notable interested stakeholders include market service providers include verifiers, auditors, offset project developers, financial intermediaries, brokers, etc.; representatives of Ethnic Minorities; NGOs and academic researchers; social media and traditional communication channel.

Project-specific information *such as the environment and social commitment plan, stakeholder engagement plan and labour management plan* are available online at the *website of Department of Climate Change*: <http://www.dcc.gov.vn/>

Consultations with stakeholders will be conducted through project preparation and implementation using a range of methods, include national level consultations, inter-ministerial meetings, *focus group meetings etc.* Consultations will aim to be face-to-face as much as possible, though they will need to take into account Covid-19 measures in place such as social distancing or the need for virtual consultations, or other adaptations as may be needed.

Comments from stakeholders will be received by the project in writing or verbally, through meetings, official letters or emails etc. Department of Climate Change, Ministry of Natural Resources and Environment as implementing agency and PMU will review stakeholders'

comments and integrate them into the project whenever possible, and inform stakeholders how comments were taken into account.

A project Grievance Redress Mechanism (GRM) will be established for all project stakeholders to share their concerns, views or complaints. Project workers will have their own GRM, which is detailed in the project's Labor Management Procedures (LMP).

# 1 GENERAL OVERVIEW

## 1.1 PROJECT DESCRIPTION

Vietnam has been experiencing a relatively high growth rate in socio-economic development with the diverse portfolio of GHG emitters in terms of abatement sizes, abatement costs, and constraints to mitigate GHG emissions. Developing and applying carbon pricing instruments (CPIs) are critical to leverage businesses and individuals' incentives to seek out and exploit the lower-cost ways of reducing emissions. Pricing carbon delivers clear signals to innovators and entrepreneurs to develop and market new, low- and zero-carbon technologies and products. To date, Vietnam has accumulated substantial experience in implementing international (bilateral and multilateral) crediting frameworks, which will be helpful for informing the design of a new national crediting program.

This proposed project aims to support Vietnam to establish and implement the NCP and a mandatory domestic Emission Trading Scheme (ETS) by establishing a legal framework and institutional infrastructure, developing system design, and enhancing stakeholder engagement for these CPIs. It will finance technical assistance for (i) development of a legal basis that underpins the National Crediting Program (NCP) and Emission Trading Scheme (ETS) and provides legal certainty for their implementation, (ii) enhancing institutional and administrative infrastructure, which ensure the NCP's and ETS' implementation systems and regulatory oversight arrangements, (iii) developing system designs which describe the rules governing what the NCP and ETS cover and how they function, and (iv) enhancing the stakeholder's understanding of the NCP and ETS and engagement for their implementation.

## 1.2 BRIEF SUMMARY OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

The project will finance technical assistance activities to establish a legal framework and institutional infrastructure, develop system design, and enhance stakeholder engagement for the domestic ETS and the NCP. The project will not involve any direct physical investment. Therefore, it is not expected to have the potential to cause direct adverse impacts and or risks on the biophysical environment, human health and safety, and/or valued environmental components. The potential downstream activities of this technical assistance will be the implementation of ETS and NCP where the emitters, such as enterprises and businesses will allocate their resources for green investment and operations (e.g., industrial energy efficiency enhancement, fuel switch from fossil fuel to renewable energy, solar and wind power development, and green procurement.). These activities will reduce GHG and local pollutant emissions and expected to be positive due to realizing emission reduction in the country that lead to improve community health, and reduce climate change impacts. However, while many potential positive impacts are foreseen, the identification and piloting of potential low carbon technologies and investment opportunities by the enterprises and business in the downstream as outputs of this TA, may bring significant environmental implications depending on the type of industries, target sectors (specifically thermal power, steel, cement and solid waste management sector) and technologies to be piloted.

Additionally, no significant direct social risks and impacts are foreseen from the project activities. No physical works are planned, and the activities are expected to have indirect and downstream social benefits to improve living conditions (i.e., better health and environment



from less polluting emissions, sustainable and livable cities), and job creation (through improving economic competitiveness lowering energy intensity, and new green opportunities). These positive impacts also apply to the potential downstream social implications that may arise from the implementation of the domestic ETS.

### 1.3 PURPOSE OF THE STAKEHOLDER ENGAGEMENT PLAN

The Stakeholder Engagement Plan (SEP) seeks to ensure that project stakeholders are informed and involved in all the stages of the project. The project will develop communication and engagement strategies and materials to effectively reach affected and interested stakeholders, ensuring accessibility and cultural appropriateness. The approach to engagement activities will take into account the needs of vulnerable groups of population (i.e., ethnic minorities). Stakeholder engagement aims to ensure not only project risks and impacts are managed but that project benefits are accessible to all relevant stakeholders.

The objectives of this stakeholder engagement plan are to:

- Identify all project stakeholders including their priorities and concerns, and ensure the project has ways to incorporate these;
- Identify strategies for information sharing and communication to stakeholders, including project information on social risks and impacts, as well as consultation of stakeholders in ways that are meaningful and accessible throughout the project cycle;
- Specify procedures and methodologies for stakeholder consultations, documentation of the proceedings and strategies for feedback;
- Establish an accessible, culturally appropriate and responsive grievance mechanism;
- Ensure meaningful consultation and the consideration of stakeholder's expectations and concerns into the implementation arrangements for the programme, including feedback on environmental and social mitigation measures and their implementation.

This SEP is applicable to the whole Viet Nam Partnership of Market Implementation Project. The SEP is a living document and will continue to be updated as the project progresses.

### 1.4 REGULATORY FRAMEWORK

This SEP considers the existing institutional and regulatory framework within the context of the following main Government of Vietnam (GOV) legal instruments:

- (1) The Constitution of the Socialist Republic of Viet Nam (2013), effective from January 1, 2014.
- (2) The Law on Environmental Protection (No.72/2020/QH14) dated November 17, 2020, the Decree No.06/2022/ND-CP on reduction of GHG emission and ozone layer protection and the Decree No. 08/2022/ND-CP guiding the implementation of Law on Environmental Protection are key legal frameworks for environmental management and climate change response.
- (3) Decision No.01/2022/QD-TTg of the Prime Minister dated January 18, 2022 on the list of sectors, facilities that must conduct GHG inventory
- (4) Decision No. 896/QD-TTg of the Prime Minister dated June 26, 2022 on approving the national climate change strategy to 2050.
- (5) Decision No. 1775/QD-TTg of the Prime Minister dated November 21, 2012 on approving the project on management of GHGs emissions; manage carbon credit business activities to the world market.

- (6) Decision No. 2359/QĐ-TTg of the Prime Minister dated December 22, 2015 – Approving the National System of GHGs inventory.
- (7) Law on Complaints, 2011. This Law and implementing Decree 124/2020/NĐ-CP identify the legal framework on grievances.
- (8) The Law on Reception of Citizens, 2013. The Law is stipulating responsibilities in receiving citizens, and the rights and obligations of complainers and denouncers.
- (9) Ordinance No. 34/2007/PL-UBTVQH11 on exercise of democracy in communes, wards and townships. This ordinance stipulates projects and information that have to be disclosed, discussed, decided and monitored by the people.

This SEP is also consistent with requirements under the World Bank’s Environment and Social Framework’s (ESF) Environment and Social Standard 10 (ESS10) on Stakeholder Engagement and Information Disclosure. ESS10 requires that the project implementing agency engages with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts. The project will engage in meaningful consultations with all stakeholders. It will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, free of manipulation, interference, coercion, discrimination and intimidation. ESS10 also requires the development and implementation of a Grievance Redress Mechanism that allows project-affected parties and others to raise concerns and provide feedback related to the environmental and social performance of the project and to have those concerns addressed in a timely manner. This SEP is prepared taking into account these requirements.

## 2 SUMMARY OF PREVIOUS STAKEHOLDER ENGAGEMENT

During the process of preparing the Stakeholder Engagement Plan, MONRE/DCC has conducted consultation with relevant line Ministries and several experts. Participants are representatives from relevant agencies from Ministry of Finance, Ministry of Planning and Investment, Ministry of Transport, Ministry of Industry and Trade, Ministry of Construction. There are also several experts who have expertise in conducting research and study on the topic of carbon market. The consultation was held in order to present all relevant documents including the Stakeholder Engagement Plan, Environmental and Social Commitment Plan and Labour Management Plan for relevant stakeholders to comment on. All the meeting minutes are documented and presented in Annex 3.

**Table 1: Previous Stakeholder Engagement**

Time	Location	Participants	Content	Additional remarks
March 9, 2023	Hanoi, Viet Nam	<ul style="list-style-type: none"> <li>- Representatives from MOF, MPI, MOIT, MOC, MOT and from within MONRE;</li> <li>- Experts in the field of carbon market.</li> </ul>	To consult on the contents of Stakeholder Engagement Plan, Environmental and Social Commitment Plan and Labour Management Plan	

The main issues raised during the stakeholder engagement activities conducted so far can be summarized as most participants agree with the contents of consulted documents. There are some concerns arising related to the implementation timing and specific sub sectors during the implementation period. All these issues will be reflected during the development of TORs, studies, TA activities, and the implementation of the project.

### 3 STAKEHOLDER IDENTIFICATION AND ANALYSIS

Stakeholders are persons or groups who are directly or indirectly affected by a project, as well as those who may have an interest in a project and/or the ability to influence its outcome, either positively or negatively.

#### 3.1 Affected Stakeholders

The project will involve the participation of several line Ministries, specifically Ministry of Natural Resources and Environment, Ministry of Industry and Trade, Ministry of Construction, Ministry of Transportation, Ministry of Finance, Ministry of Planning and Investment. The project aims to support Viet Nam piloting the emission trading scheme in thermal power, steel and cement sectors; and piloting the national crediting program in waste sectors. Therefore, facilities within those sectors will also be affected. Other affected stakeholders include other firms not regulated directly by the ETS, for example manufacturers and suppliers at different points in the supply chain. VCCI and associations will play an important role in presenting aggregate views on business interests and serve as a conduit of information to their members and consumers.

The emission reduction policies, systems, piloting of technologies may also create short term decrease in the competitiveness of affected business and livelihood of the people due to the increase in cost. The implementation of the carbon pricing instruments may also create carbon leakage problem where firms will reallocate to less strict countries. However, the emission reduction will largely make positive contributions to the environment, consequently health and well-being of people and increase the quality of business.

#### 3.2 Interested Stakeholders

The project will include several activities to enhance capacity and raise awareness of both public and private sector related to the development of carbon market. Several notable interested stakeholders include market service providers include verifiers, auditors, offset project developers, financial intermediaries, brokers, etc.; NGOs and academic researchers; social media and traditional communication channel.

#### 3.3 Disadvantaged / vulnerable / ethnic minorities individuals or groups

It is anticipated that the project will have no adverse impact on disadvantaged, vulnerable or ethnic minorities groups. However, provisions need to be in place to ensure that the representatives of ethnic minority groups are fully consulted in a culturally-appropriate manner about, and have opportunities to benefit from, the Project activities. The project

will foster the development and adoption of low emission technologies, leading to better environmental conditions.

The project will make sure that a representatives at national level of ethnic minority groups groups receive meaningful information to understand the Project's risks and opportunities. Also, they will be consulted through dedicated means, as appropriate, this may include encouraging the translation of information or awareness raising through culturally appropriate means.

## STAKEHOLDER ENGAGEMENT PROGRAM

### 4.1 Purpose of the Stakeholder Engagement Plan

In order to achieve the objectives of the Stakeholder Engagement Plan (Section 1.3), the Project will:

- Provide meaningful information in a format and language that is readily understandable;
- Provide information in advance of consultation activities when possible;
- Disseminate information in a manner and location easy for stakeholders to access it;
- Establish a two-way dialogue that gives the Project and stakeholders the opportunity to exchange views and information, and have issues heard and addressed;
- Ensure inclusiveness in representation of views, including those of women, the elderly, people living with a disability and other vulnerable people as necessary;
- Ensure any obstacles to participation that are identified are removed so that views of different stakeholders can be captured;
- Ensure there are clear mechanisms for responding to people's concerns, suggestions, and/or grievances;
- Incorporate feedback into project or program design, and report back to stakeholders;
- Monitor stakeholder engagement activities and include project stakeholders in monitoring to the extent possible;
- Incorporate stakeholder engagement as part of the project management responsibilities and ensure staff in the Ministry of Natural Resources and Environment and the PMU are equipped with specific responsibilities and budget.

The Project will engage at different stages of implementation, and the engagement will vary during the life of the project and this SEP will be dynamic and flexible to these changes. The SEP should be read together with other project documents such as Environmental and Social Commitment Plan, *LMP*, etc. This SEP has been updated incorporating minutes of meetings and relevant comments from project stakeholders. During the course of the project the SEP will be considered a living document and updated as needed.

### 4.2 Strategy for Information Disclosure

Disclosure refers to making information accessible, and in a manner that is appropriate and understandable to interested and affected parties. Disclosure of information will be an ongoing process with defined stages: before World Bank project appraisal, and during project implementation. During all stages, project information will be disclosed in a way that is appropriate to the different range of stakeholders and in both Vietnamese and English.

The guiding principles will be to:

- Be transparent;
- Present information in a straight-forward manner;
- Disclose documents as early as feasible;
- Use disclosure to support consultation activities;
- Provide meaningful and useful information, and
- Ensure information is accessible.

#### 4.2.1 Before World Bank Project-Appraisal

The project will disclose the following documents that inform stakeholders *about the objective, scale of the project and its components, including potential risks and impacts to local communities from an environment and social perspective plus ways to enhance project benefits*:

- *Project Design Document*
- *ESCP*
- *SEP*
- *LMP*

#### 4.2.2 During Project Implementation

The project will disclose information during the course of the project as appropriate, including on:

- *Project Design Document*
- *ESCP*
- *SEP*
- *LMP*
- *Studies and TA activities*
- *Training and education materials*

### 4.3 Strategy for Consultations

The project supports a participatory and consultative approach involving meaningful engagement with different populations. Consultation is a two-way process of dialogue between the project and its stakeholders. Project consultations will provide opportunities to share information about the project and get feedback, including on issues such as *project objectives; ways to mitigate potential project risks in particular to vulnerable and ethnic minorities groups; receiving feedback based on findings and recommendations coming from studies and TA financed by the Project*. Some helpful criteria that should guide consultations with stakeholders, in particular affected stakeholders, include:

- Face-to-face consultations should be inclusive of all stakeholder groups including, when possible, representatives of ethnic minority groups;
- Notices of meetings and surveys should be sufficiently notified in advance at prominent locations and information should be disclosed ahead of time when applicable and possible;
- Comments and suggestions received from participants should be collected and incorporated into this SEP, other project documents, and in ongoing project

implementation as much as possible, and stakeholders should be made aware how this was done in follow-up meetings/consultations;

- Covid-19 measures should be taken into account, whether this means that social distancing measures will be put in place or that accommodations will be taken to conduct meetings virtually, taking into account the challenges and limitations in conducting virtual consultations and trying to find ways to overcome this.

Consultations approaches will depend on the stakeholder as well as the project timing.

#### 4.3.1 Project Stages

##### 4.3.1.1 *Project preparation (before project appraisal)*

Since the details of some proposed project activities are unknown at this stage, consultations during the late phases of project preparation and project implementation will focus on a broader range of stakeholders to understand their general interests and concerns on the project and its potential positive and negative impacts, and inform project design.

##### 4.3.1.2 *Implementation*

At this stage, the details of proposed project investments will be determined and specific project-affected stakeholders identified. The consultation will focus more specifically on people who are impacted by the project, especially those adversely impacted, to address their concerns through the implementation of subproject-specific environmental and social plans. The project will ensure that the Grievance Redress Mechanism (GRM) is disseminated and active in order to promptly address any grievances. Special attention will be paid to vulnerable/disadvantaged/ethnic minorities groups to ensure inclusion, non-discrimination and access to project benefits. Consultations will also focus on job opportunities, specific action plans, etc.

#### 4.3.2 Different methods

##### 4.3.2.1 *National Consultations*

National consultations are particularly useful to target government representatives, NGOs, representatives of ethnic groups at national level, and other groups who have an interest in the project and may also have an ability to influence it. These type of consultations are also useful at project design stage, and annually to inform stakeholders of a project's progress. National consultations may be conducted face-to-face in a meeting format, and may involve break-out groups or other methods to ensure there is ample time for group discussion and questions and answers.

##### 4.3.2.1.1 *Vulnerable and Ethnic Minorities groups*

The views of vulnerable/disadvantaged groups will be sought during the consultation process. Accommodations and specific measures may be taken to remove obstacles to participation, such as:

- Providing sign language, large print;
- Choosing accessible venues that are easy to access (such as with ramps);
- Providing transportation for people in remote areas to the nearest meeting;

- Having small, focused meetings where vulnerable stakeholders are more comfortable asking questions or raising concerns;
- Good facilitation to ensure meaningful participation in the consultation;
- Using appropriate translators or ethnic language speakers.

#### 4.3.2.1.2 Trainings

One important way to engage stakeholders will be through trainings on important topics related to the project such as gender, the project's Grievance Redress Mechanism, and labor rights (for both men and women),

#### 4.3.3 Review of Comments

The MONRE/DCC will be responsible for ensuring there are notes of project meetings and consultations, and incorporating comments into project documents and activities (i.e., studies, TA activities, etc). Stakeholders who provide specific suggestions will be followed up with after consultations with feedback on how their comments were taken into account. This will may be done through direct communication, email, phone call, minutes posted on project website. There will be particular attention to consider and incorporate gender aspects and the views of vulnerable, disadvantaged and ethnic minorities persons.

## 5 RESOURCES AND REponsibilities

### 5.1 Resources

The Ministry of Natural Resources and Environment will be in charge of organizing stakeholder engagement activities and implementation of this SEP. The Environmental and Social focal point within the DCC/PMU have overall responsibility on preparation and implementation of the SEP, and ensuring continuous community outreach and consultation, developing and managing the Grievance Redress Mechanism (GRM) and reporting results to various stakeholders. Consultants will also be responsible for implementing various aspects of the SEP as detailed in Section 4 of this report and described below in Section 5.2.

#### 5.1.1 Budget

A tentative budget of \$100,000 is estimated for the implementation of SEP activities. Details are as follow:

Activity	Stakeholder engagement, communications, and capacity-building strategy
Objective	Develop a mapping of stakeholders from government, private sector and civil society to be engaged in policy design and implementation of both ETS and NCP. Develop stakeholder engagement plan, communication strategy and capacity building strategy for ETS and NCP implementation
Key outputs	<ul style="list-style-type: none"> <li>● Stakeholder profiles</li> <li>● Stakeholder engagement plan</li> <li>● Communication strategy</li> <li>● Capacity building strategy</li> </ul>
Execution period	2024-2025
Budget	\$100,000

Consultation and stakeholder engagement activities will also be conducted in parallel with project's capacity building activities and workshop.

Activity	Comprehensive capacity-building program for carbon pricing
Objective	Implement the capacity building activities for different stakeholders as outlined under capacity building strategy
Key outputs	<ul style="list-style-type: none"> <li>● Capacity built within ministries and agencies involve in ETS and NCP</li> <li>● Capacity built within private sector and corporate on ETS obligations and NCP projects</li> <li>● Capacity built for verifiers, auditors</li> </ul>
Lead agency	MONRE, MOT, MOIT, MOC
Execution period	2024-2028
Budget	\$650,000



## 5.2 Management Functions and Responsibilities

The Stakeholder Engagement Plan will be the responsibility of the MONRE, PMU and ESO. They will guide the process of stakeholder engagement throughout the preparation and implementation of the project. Certain parts of the SEP will also be the responsibility of *consultants*, and the *PMU* will oversee this work as appropriate.

The *ESO in PMU*, under the guidance of the *PD*, will be responsible for:

- Leading, or supervising, consultations, as per the SEP;
- Leading, or supervising, the disclosure of information, as per the SEP;
- Recording and reporting on grievance resolution, as per the SEP;
- Reviewing monthly monitoring reports provided by contractors and/or consultants;
- Regularly reporting to the Project Director/Manager.

Stakeholder engagement should be periodically evaluated by the project in line with overall monitoring and other relevant project documents.

**Table 7: Responsible Staff for SEP Implementation**

Staff		Responsibility
MONRE	Project Director	<ul style="list-style-type: none"> <li>• Reviews and approves monthly reports on grievance redress and stakeholder engagement; and</li> <li>• Keeps World Bank informed on the implementation of the SEP.</li> <li>• Oversees the process of grievance redress and stakeholder engagement; and</li> <li>• Submits monthly reports to the World Bank</li> </ul>
	Environment and Social Officers/GRM Focal Point	<ul style="list-style-type: none"> <li>• Implements stakeholder engagement activities as described in the SEP, including consultations, disclosure, trainings, etc.</li> <li>• Publicizes the GRM and ensure it has been made available to project stakeholders (for example via brochures, online, etc.)</li> <li>• Coordinates with local authorities and contractor on the grievance redress mechanism, following up that grievances are recorded and promptly resolved and records information in the grievance database</li> <li>• Oversees stakeholder engagement activities being conducted by the contractor and/or consultants</li> <li>• Coordinates with other agencies involved in the project</li> </ul>
Consultant		<ul style="list-style-type: none"> <li>• Ensures careful consideration of women, ethnic minority and vulnerable groups, including them in consultations and that they do not miss out on job opportunities.</li> <li>• Conducts trainings and awareness activities related to the project</li> <li>• Implements GRM to resolve concerns promptly as described in Section 6</li> </ul>

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## 6 Grievance Redress Mechanism

The grievance mechanism seeks to resolve concerns promptly, using an understandable process that is culturally appropriate and readily accessible at no cost. Grievances can be submitted if someone believes the project is having a detrimental impact on the community, the environment, or on their quality of life. Stakeholders may also submit comments and suggestions.

The MONRE and DCC will be responsible for overseeing that grievances are received and resolved in a fair, objective, and constructive manner all concerns or complaints raised by project stakeholders. The key principles of the grievance mechanism are to ensure that:

- The basic rights and interests of affected people are protected;
- The concerns of affected people arising from the project implementation process are adequately addressed;
- Entitlements or livelihood support for affected people, are provided on time and in accordance with project documents such as ESMP.
- Affected people are aware of their rights to access grievance procedures free of charge for the above purposes.

Based on the SEP, wherever possible, the project team shall seek to resolve complaints as soon as possible, and thus avoid the escalation of issues. The GRM shall not impede access to the country's judicial or administrative remedies. Stakeholders can approach a court of law at any time and independent of the project level grievance redress process. Along with the World Bank requirements based on ESS10, the GRM will be in line with the Vietnamese national legislation, in particular the Law on Complaints (2011) and the Law on Denunciation (2018).

The MONRE shall establish the GRM. The DCC within MONRE shall appoint a GRM focal point to collaborate with local authorities in handling project-related grievances. The design of the GRM shall take into consideration the views of affected stakeholders and what is considered an accessible mechanism. The DCC shall be required to disclose and explain to all stakeholders, in particular affected stakeholders and vulnerable, disadvantaged and ethnic minority ones, the procedure for complaints filing as early as possible and on a regular basis throughout the project cycle. The grievance mechanism shall be available at no cost, and it is important that it be easily accessible, with special attention paid to accessibility for disadvantaged, vulnerable and ethnic minority individuals or groups.

The DCC will ensure that grievances are registered, tracked, and resolved in line with stipulated timeframes.

The GRM Officer will be responsible for:

- Developing and publicizing the grievance management procedures;
- As applicable, receiving, reviewing and keeping track of grievances;
- Ensuring grievances are settled within agreed time periods.

Stakeholders will be consulted about the GRM during the stakeholder engagement process to ensure its accessibility and adequacy. A separate GRM is available for project workers, and

detailed in the project's Labor Management Procedures (LMP). All information about grievance procedures, grievance forms and responses will be available in Vietnamese and English.

## 6.1 Grievance Procedures

### 6.1.1 Traditional local level procedures

- **The first level - Ward/Commune People's Committee (W/CPC).** An affected stakeholder is to take his/her complaint to any member of the People's Committee of the ward/commune, through the village/cluster head or directly to W/CPC, in written or oral form. The W/CPC will work directly with the complainant to resolve the complaint and will issue a resolution within 15 working days after receiving the complaint. The secretariat of the W/CPC is responsible for documenting and recording all the complaints that it is handling. Once the W/CPC issues its decision, the stakeholder can make an appeal within 30 working days if they are not satisfied with the decision or after 15 working days if they have not heard back from the W/CPC, to the City/District People's Committee.
- **The second level – City/District People's Committee (City/DPC).** Upon receiving a complaint from a stakeholder, the City/DPC will have 15 working days to resolve the case. The City/DPC is responsible for filing and storing documents on all complaints that it handles. When the City/DPC has issued a decision, the stakeholder can make an appeal within 30 working days if they are not satisfied with the decision or after 15 working days if they have not heard back from the City/DPC, to the Provincial People's Committee (PPC).
- **The third level – Provincial People's Committee (PPC).** Upon receiving a complaint from a stakeholder, the PPC will have 30 working days to resolve the case. The PPC is responsible for filing and storing documents for all complaints that it handles. After the PPC has issued a decision, the stakeholder can appeal within 45 working days if they are not satisfied with the decision or after 45 working days if they have not heard back from the PPC, to the people's court.

The *GRM Officer* will be the project's E&S Focal Point within the DCC/PMU , and will need to liaise with the above levels in order to keep a database of the project-related complaints from stakeholders, including information such as: the nature of the complaint, the source and date of receipt of the complaint, the name and address of the complainant, action plan, and current status (see Annex 1), including complaints both received orally and in writing. If needed, the *GRM Officer* will be able to contact complainants directly and guide them through the official GRM channels.

### 6.1.2 Procedures in cases of Gender Based Violence

To avoid the risk of stigmatization, exacerbation of the mental/psychological harm or potential reprisal, the GRM shall have a different and sensitive approach to Gender Based Violence (GBV) related cases. Where such a case is reported to the GRM, it should immediately be referred to appropriate service providers, such as medical and psychological support, emergency accommodation, and/or any other necessary services. It should also be reported to the *GRM Officer* of the DCC, who can advise on relevant service providers if needed. Data on GBV cases should not be collected through the GRM unless operators have

been trained on the empathetic, non-judgmental and confidential collection of these complaints. Only the nature of the complaint (what the complainant says in her/his own words) and additional demographic data, such as age and gender, can be collected as usual.

## 7 MONITORING AND REPORTING

The SEP will be periodically revised and updated as necessary in the course of the project in order to ensure that the information presented is consistent, up to date, and that the identified methods of engagement remain appropriate and effective in relation to the project context and specific phases of project development. Any major changes to project related activities and its schedule will be duly reflected in the SEP.

Monthly summaries and internal reports on public grievances, together with the status of implementation of associated corrective actions will be collated by responsible staff and referred to the *Project Director or the PMU*. The monthly summaries will provide a mechanism for assessing both the number and the nature of complaints and requests for information, along with the project's ability to address those in a timely and satisfactorily manner. The project will make public *quarterly* project monitoring reports on its website: [dcc.gov.vn](http://dcc.gov.vn), which will include reporting on the SEP and grievance redress (see Section 7.1).

### 7.1 Internal Monitoring

The objective of Internal Monitoring relating to the SEP is to oversee its implementation to ensure targeted consultations and disclosure activities are taking place. Internal Monitoring will be led by the *PMU*, under the overall guidance of the *Project Director*. The involvement of local communities in monitoring activities should be encouraged whenever possible. Internal Monitoring will consist of *quarterly* reports during the implementation of the project, part of overall project monitoring.

Monitoring SEP implementation should focus on:

- Level of understanding of the project;
- Community feedback incorporated into project design and planning;
- Knowledge by stakeholders of project documents, including the GRM and impact/mitigation plans;
- Implementation of disclosure and consultation activities as per the SEP;
- Main grievances and efficacy of GRM;
- Overall community satisfaction;
- Minutes of consultation meetings;
- Number of staff working on Stakeholder Engagement, and
- Plans for the next month and long-term plans.

### 7.2 Monitoring by Consultants

The *Supervision Consultant* will monitor the following:

- Adequacy of stakeholder engagement, including activities, staffing and budget;

- Review of grievances submitted, time to respond, resolution of grievances and complainant's satisfaction with the process;
- Interview of sample households to assess satisfaction with stakeholder engagement and knowledge of the project and related programs.

### 7.3 Reporting back to Stakeholders

The method of reporting back to stakeholders will depend on the stakeholder itself. There are essentially two main methods:

- For National-level stakeholders, an email and/or official letter will be sent after workshops on how comments/suggestions were taken into account and/or to inform them of documents that are publicly available;
- For local stakeholders, follow-up meetings/consultations will be conducted, or outreach via social media, phone calls or SMS to let stakeholders know on how comments/suggestions were taken into account and/or to inform them of documents that are publicly available.

Project documents, including annual *reports* will be updated and uploaded as needed, including this SEP, and available in the project website at: [dcc.gov.vn](http://dcc.gov.vn). During consultation activities, stakeholders will also be reminded that these documents are publicly available, as well as the project's GRM.



## ANNEX 2: SAMPLE FORM TO SUBMIT GRIEVANCES

FULL NAME AND LAST NAME of Complainant (or Anonymous):

\_\_\_\_\_

GENDER: \_\_\_\_\_

AGE: \_\_\_\_\_

CONTACT DETAILS (by post, by telephone, by e-mail):

\_\_\_\_\_

STATEMENT OF GRIEVANCE (Reason for complaint and activity leading to complaint. Please include as much details as possible to answer the following questions: (i) what happened, (ii) when did it happen, (iii) who did it happen to, (iv) what was the impact of what happened. Include additional information as needed/desired.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REMEDY REQUESTED BY COMPLAINT:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

FOR ADMIN USE ONLY:

Date Grievance Received: \_\_\_\_\_

- a. In person
- b. In writing

Grievance Received by: \_\_\_\_\_

Action taken or required: \_\_\_\_\_



## ANNEX 3. Consultations report

**Date and Time: March 9, 2023**

**Organizer: Ministry of Natural Resources and Environment**

**Location: No. 10 Ton That Thuyet Street, Ha Noi, Viet Nam**

### TOPIC/OBJECTIVE

- Disclose the information about the project to stakeholders and interested parties
- Present 3 reports of ESCP, SEP and LMP reports those were sent to the stakeholders and interested parties before the workshop.
- Gather the comments and questions from the participants for the environmental and social consultants to finalize the reports.

### SUMMARY OF INFORMATION PRESENTED

The consultation was held in person and chaired by Dr. Mai Kim Lien, Deputy Director General of Department of Climate Change, Ministry of Natural Resources and Environment. The language of the consultation is entirely in Vietnamese.

The first part of the consultation was to present and comment on the Project Document and Project's activities.

The second part focused on the consultation on three environmental and social documents.

### SUMMARY OF PARTICIPANTS

- No. of participants: 17
- Female participants: 8/17
- Ethnic group: none
- The participants have been invited by invitation letter via email enclosed with the reports of ESCP, SEP and LMP.

### FEEDBACK RECEIVED

Who	Description / Feedbacks/Inputs
Mr. Hoang Van Tam	<ul style="list-style-type: none"><li>• Even PMI project is a continuation from PMR project, the implementation mechanism is not the same due to the change in domestic regulations. There should be a technical level working group in order to ensure the coordination of line Ministries.</li><li>• As project will involve and affect many sectors, focus should also be paid on the just transition aspect to ensure the harmonization of benefits among stakeholders.</li></ul>
Mr. Vu Hai Luu	<ul style="list-style-type: none"><li>• In general, agree with what was presented. However, there should be adjustment in the implementation period for the study on transportation sector to reflect new development in this sector.</li></ul>
Ms. Luu Linh Huong	<ul style="list-style-type: none"><li>• The role of MONRE and participating line Ministries should be further clarified in the Project Document</li></ul>
Ms. Nguyen Thanh Nga	<ul style="list-style-type: none"><li>• Due to the change in the Decree 114/2021, MONRE should revise all the documents carefully to be in line with the new regulations.</li></ul>
Nguyen Hoai Nam	<ul style="list-style-type: none"><li>• Agreed with the draft documents. During the process of developing TOR and implementation project, consultation should be held more frequently.</li></ul>

Nguyen Hong Loan	<ul style="list-style-type: none"> <li>• Agree with the proposed activities of the Project. It should be noted that the project will also support private sector especially in the steel sector as they are the one affected by the upcoming CBAM from the EU.</li> </ul>
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## NEXT STEPS

After the workshop, the MONRE/DCC will carry out the following activities:

- Write the Consultation Report, synthesize comments and review the contributions to supplement and submit the Consultation Report to the World Bank.
- Revise the reports of ESCP, SEP and LMP to be more relevant to the actual situation in Vietnam. Submit revised reports to the World Bank.
- The reports of ESCP, SEP and LMP will be posted on the website of the DCC and sent to the stakeholders.

## PARTICIPANT'S LIST AND PHOTOS

1. Department of Climate Change, Ministry of Natural Resources and Environment (MONRE): Dr. Mai Kim Lien, Dr. Luong Quang Huy, Mr. Nguyen Van Minh, Mr. Nguyen Thanh Cong, Mr. Pham Nam Hung, Mr. Le Thanh Tung, Ms. Pham Thi Ngoc Anh.
2. Department of Science, Education, Natural Resources and Environment, Ministry of Planning and Investment (MPI): Ms. Nguyen Thi Thanh Nga
3. Department of Science Technology and Environment, Ministry of Construction (MOC): Ms. Luu Linh Huong
4. Department of Energy Efficiency and Sustainable Development, Ministry of Industry and Trade (MOIT): Mr. Hoang Van Tam
5. Department of Legal Affairs, Ministry of Finance (MOF): Ms. Tran Hong Nhung
6. Department of Environment, Ministry of Transport (MOT): Mr. Vu Hai Luu
7. RCEE-NIRAS JSC: Mr. Nguyen Hoai Nam, Mr. Nguyen Trong Nghia
8. VNEEC: Ms. Dang Hong Hanh
9. CEGR: Ms. Nguyen Thanh Mai
10. GreenCIC: Ms. Nguyen Hong Loan