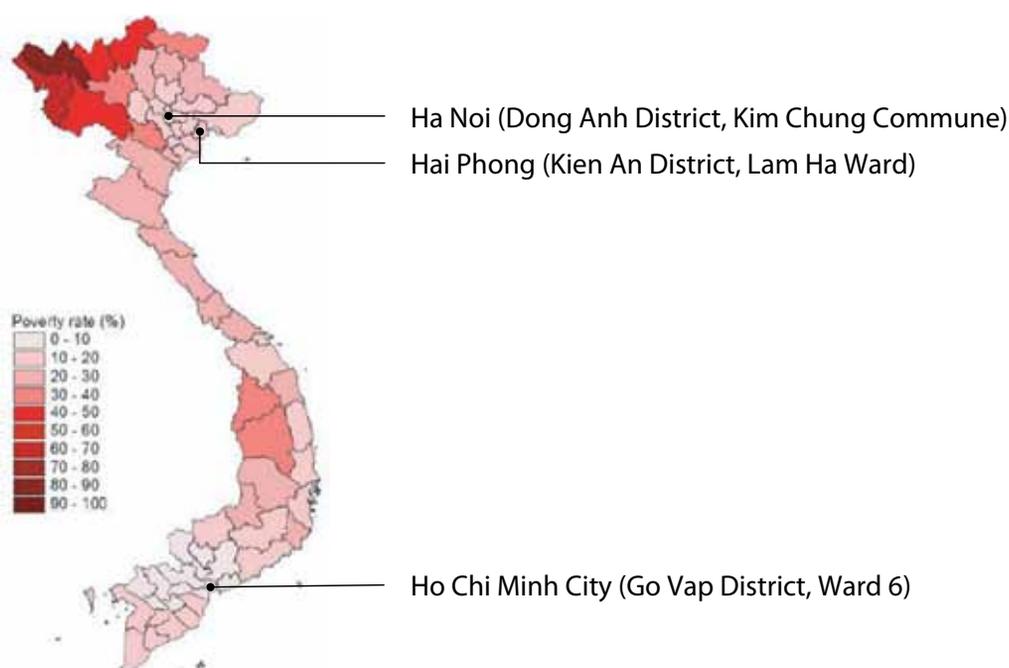


URBAN POVERTY REDUCTION IN VIET NAM: NEW CHALLENGES, NEW APPROACHES

Summary of Five-year Synthesis Report 2008 - 2012



Introduction

This report introduces the main findings of the Five-year Synthesis Report 2008 - 2012, Participatory Monitoring of Urban Poverty in Vietnam, jointly conducted by Oxfam and ActionAid, two international organizations with many years of experience supporting the poorest and most disadvantaged groups in Vietnam. This study began after Vietnam became a member of the World Trade Organization (WTO) in 2007.

The poverty monitoring initiative has been repeated annually in Ha Noi, Hai Phong and Ho Chi Minh City (HCMC) between 2008 and 2012. In each city, one suburban commune or ward, known to have high immigration

was chosen. The initiative was conducted at Kim Chung Commune (Dong Anh District, Ha Noi), Lam Ha Ward (Kien An District, Hai Phong), and Ward 6 (Go Vap District, HCMC).

The annual reports present data captured from group discussions with those defined as poor according to the national poverty line, the near-poor, the non-poor, migrants, local cadres and also from in-depth interviews with typical households. Approximately 500 people engaged in interviews and group discussions and 180 migrants completed questionnaires.

This report concludes with **eight recommendations** for action on poverty in urban areas.

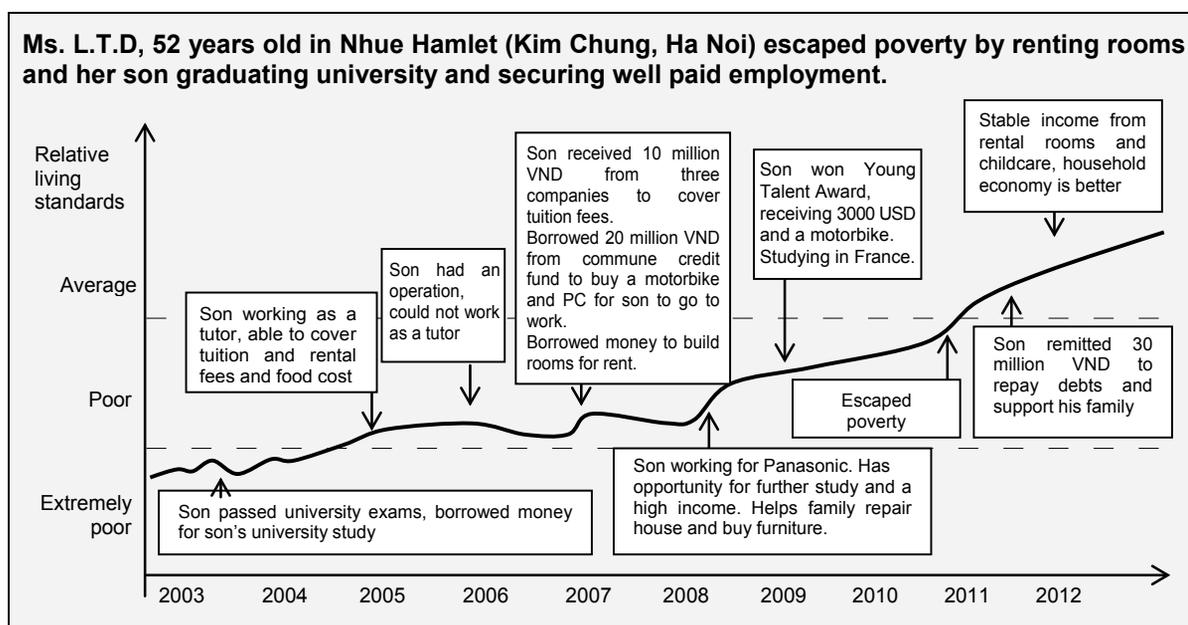
Multi-dimensional poverty of local residents and migrants

Poverty of local residents

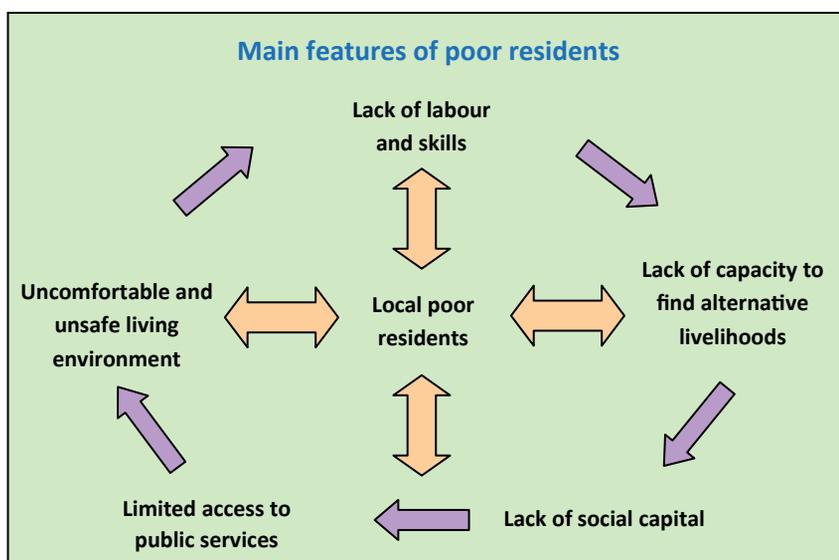
In the last five years, the lives of most poor people in urban areas have improved, although the pace of change is slow. **Many households have escaped poverty thanks to changing livelihoods and investments in children's education.** Rapid urbanization and land expropriation has meant those without the skills and knowledge to adapt have struggled. Even so, some, particularly those with rooms to rent or small traders, have benefitted. Many poor households have borrowed or saved to invest in their children's education in the hope that their children will have a stable job with a higher income.

The urban poor are categorized into two clear groups: the chronic poor, who struggle to escape permanent poverty **and the temporary poor.** The chronic poor are typically households with elderly people, single parents, small children, disabled people and people with chronic illnesses. The temporary poor tend to have low levels of education and skills, and so struggle to find stable employment in the formal sectors. However, they can sell their labour and can occasionally escape poverty.

Social relationships with relatives or peers are important to poor urban dwellers as they are the basis of crucial support in moments of crisis and important life events. However, the costs of maintaining relationships such as having to make contributions to weddings and funerals limit the size of social networks.



Although urban poverty levels based on economic indicators of income or expenditure are relatively low, a multi-dimensional assessment of poverty reveals serious problems. The five major issues are: a lack of labour and skills, an inability to change livelihoods, insufficient social capital, and limited access to public services and uncomfortable and unsafe living environments.



The urban poor have difficulty accessing public services. The greatest difficulty is the high and rising cost of education. In addition, access to health care is limited by excessive, informal costs and charges, hospital overcrowding and reduced quality healthcare for the poor. Many poor people also have limited access to social security.

At the monitoring sites the quality of housing, accommodation and ownership of assets (TV, motorbike, and phone) has improved over the last five years. However as many poor households do not have a 'red book' (land use right certificate), household ownership is uncertain. Moreover, high levels of pollution and limited public space mean the local environment is often unsuitable for families and children.

Migrant poor

A significant, and rising, proportion of the population at the monitoring sites is migrants, although the rate of inward migration has slowed since 2010. In Kim Chung commune, Ha Noi, there are twice as many migrants as locals. Increased demand for services provides a diversified and welcome source of income for locals who can provide accommodation, daily necessities, catering and childcare.

If merely income is considered, many migrants are not poor. However, from the multi-dimensional poverty perspective, the poverty of migrants is much more pronounced, and is reflected in the five main dimensions of deprivation: high costs of living in urban areas; unstable employment; lack of social integration; limited access to public services; and uncomfortable and unsafe living environment.

Increasing living costs without a corresponding increase in income is a problem frequently reported by migrants living in cities. Rent, electricity, and food costs have risen continuously over the last five years. Many migrants also face extra increases in expenses, such as phone calls, clothes and other social

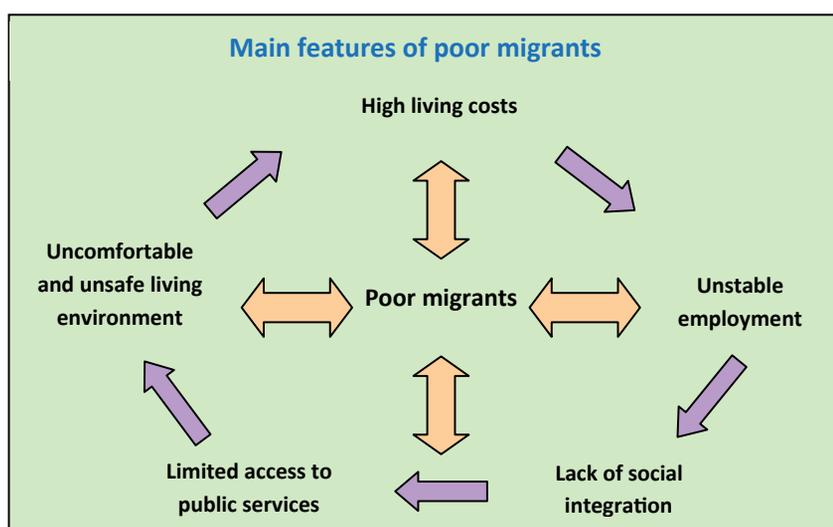
costs. Price increases have resulted in lower savings rates and remittances home, as well as reduced funds for daily essentials such as food.

More couples live in cities with their children. The married couples often have to pay more for renting separate rooms, and pay more for child care costs.

Occupations of migrant workers are less stable. Migrants tend to undertake short term employment that is not normally done by locals, such as construction and house maids. Stricter urban management policy has also limited opportunities for migrant vendors.

Increasing numbers of migrants return home. Migrant workers from Northern provinces working in southern Viet Nam have returned home because their incomes cannot cover living expenses. Additionally, there are now more industrial parks in the north, providing employment and many migrants want to be close to their families and to take care of their children's education.

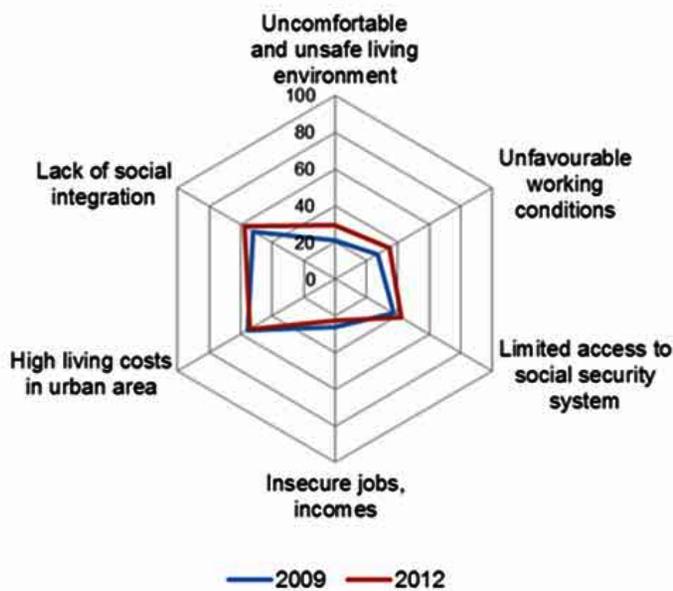
As access to social security and other services such as health care and education are dependent on possession of a "Household Registration book", migrants have limited



access to support granted to non-migrants. Many public schools are already oversubscribed, so migrants have to enroll their children in private schools (especially at the kindergarten level) with higher tuition fees (and often poorer quality).

Multi-dimensional disadvantages of migrant workers

Migrant workers encounter multi-dimensional disadvantages and shocks that stem from unstable employment opportunities. Many are forced to return home. The interview and questionnaire data show six dimensions of deprivation according to workers' own perceptions. "High urban living costs" and "lack of social integration" are the most deprived dimensions. "Uncomfortable and unsafe living conditions", "disadvantaged working conditions", "lack of access to social protection" and "lack of social integration" slightly increased between the 2009 and 2012 survey.



strengthened their links with their home provinces, some even returning home to take advantage of lower prices for essentials such as rice, vegetables, and eggs.

The global financial crisis in 2008 - 2009 had an impact on workers in export industries. Some companies in the footwear, garment, and assembly sectors had to make significant reductions in the number of employees. For the remaining workers, overtime opportunities were reduced, and many received only 50 - 70% of their basic salary. Many migrant workers were forced to return home as their incomes were too low, or there were no jobs. By mid-2009, once orders began to recover, companies were again in short of labour, so labour fluctuation was high.

Female workers were more vulnerable than male workers in the crisis. Female workers often work in labour intensive industries, such as garments, footwear and assembly - which are sensitive to export market changes. Maternity leave, and the expectation that

women should care for children mean women are more likely to lose their jobs than men.

Slow domestic economic growth in 2012 has created difficulties for companies producing for the domestic market. Many have had to cut up to 50% of their work force as a result. Many companies cannot go bankrupt because of cumbersome bankruptcy procedures.

Jobs are more stable in export orientated foreign invested enterprises, such as Japanese companies in North Thang Long industrial park, Ha Noi, and incomes are not so seriously affected.

Vulnerabilities: simultaneous and consecutive shocks

In the past five years the urban poor have faced a number of shocks.

Inflation, particularly in 2008 and 2011 resulted in high living costs and lower purchasing power. As most poor households do not have savings, many were especially vulnerable. Enterprises also struggled to provide jobs, pay salaries and provide other support to workers. In response, migrants

Workers in the formal sector: Low skill workers in companies that focus on domestic markets (construction, motorbike, mechanics, plastics and packaging) have greater employment instability. Data from interviews with migrant workers in 2012 shows that one third have experienced reduced incomes (only 14% reported this in 2011). Female workers and new workers are more likely to be affected. More than half of the workers have not been able to remit money.

Workers in the informal sector: Demand for construction has significantly reduced, leading to reduced work in the construction sector. Small traders have also struggled with a fall in demand.

Mobilization for contributions: Economic difficulties mean it is more difficult for enterprises to participate in socialization activities and support the poor than previously. The Fatherland Front and officials of residential units have also been more prudent in mobilizing funding for community works in 2012.

Social security

Insurance

Voluntary social insurance is still strange to most Vietnamese workers. Foreign and large domestic companies pay insurance for most of their workers, but small private companies usually try to avoid the responsibility.

Poor households and policy beneficiaries are provided with free health insurance at the monitoring sites. Health insurance is particularly important for people with chronic illnesses, and who require long term hospital treatment. Voluntary purchase of health insurance at the monitoring sites has also increased in recent years. However, still few people buy medical insurance cards as they are wary of long waiting times and perceptions of low quality health care.

Existing cash transfer programmes

On-going cash transfer programmes under Decree 67 and Decree 13¹ have alleviated some of the pressure on social protection policy beneficiaries. Education costs have also been reduced for poor households with Decree 49². However, the level of support is low, and has a limited impact on education and health care.

The target group for cash transfers is small, and does not cover those disadvantaged groups most in need. Most households that experience sudden shocks, such as illness or accidents, receive no monthly support, and the majority of migrants do not have access to cash transfer programmes in their urban residences. Others that are eligible for cash transfer programmes do not know about them, are unable to fulfill the necessary procedures or are afraid of interacting with administrative agencies.

The heads of the residential units or hamlets play an important role providing information and helping people to complete the necessary procedures to receive support. However, many possess insufficient information about Decree 67 and 13, and know little about Decree 49 and other support policies.

Local officials proposed to reform the cash transfer programme to simplify the procedures, because ***there are many policies with different procedures and payment methods.***

Proposals for future cash transfer programs

Local officials, the poor and non-poor people in survey sites were asked to provide proposals for future cash transfer programmes. They were specifically asked about targeting mechanisms, the minimum level of support, payment methods and associated supporting activities.

A widely held view that is ***access to cash transfers should depend on family circumstances and not just income.***

¹ A government policy that supports beneficiaries of social welfare assistance programmes (based on Decree No. 67/2007/ND-CP dated 13 April 2007, and Decree No. 13/2010/ND-CP dated 27 February 2010)

² A Government policy on exemption and reduction of school fees and support for schooling cost (based on Decree No. 49/2010/ND-CP dated 14 May 2010 of the Government)

Households that experience illness or have many children should also have access to support. The Government's poverty line is considered too low (though it increased in 2011), and as a result many disadvantaged people do not qualify for support.

Those classified as poor or social assistance groups do not want to identify the minimum level of support for themselves. When asked they say that "whatever is given is good" and that they "don't want to demand". Local officials, on the other hand, **propose that the minimum level of support should be higher** (as specified in Decree 67 and 13).

Payments should be made at the ward or commune headquarters because: (i) It is easier to determine whether households still live in the locality; (ii) People will recognize and be encouraged by the State's support; and (iii) It's easier to provide advice and monitor how payments are used by beneficiaries.

Almost all groups think that **there should be counselors and advisors for cash recipients**. The officials suggest that this should be the role of mass organizations (Women's Union) in coordination with the head of the residential units, as they are familiar with individual households. Others think that poverty reduction staff would be the most suitable counselors, as they will be able to draw on their expertise and provide the best advice.

Education and skills

Education

At all three monitoring sites, most children continue onto upper secondary education. Very few leave education for job. Those who do tend to be from disadvantaged households, and most struggle to find work or other opportunities to improve their knowledge and skills. Very few continue on to "top grade" universities, however, a high proportion of secondary school graduates find places at "second grade" universities, colleges and intermediate vocational schools³. For example in Kim Chung Commune (Ha Noi), only one

in ten secondary school graduates who pass exams to progress to higher education study at the local "top grade" university. Only a small proportion of those who finish upper secondary school go on to vocational schools.

The proportion of young residents who work after finishing upper secondary school is low in urban areas, but high in suburban areas.

In Lam Ha Ward (Hai Phong) and Ward 6 (Go Vap District, HCMC), less than ten percent of young residents find work after graduation. However, in Kim Chung Commune (Ha Noi), around one third of young residents find work after finishing upper secondary school. Most young people interviewed decided for themselves when to stop studying. Most were motivated by the independence employment and a salary can bring. High further education costs were another reason. Typical costs of 2.5 - 3 million VND a month is high for most rural households. A third reason given was a fear that without the right relationships it is difficult to find work.

High school urban students have greater access to information about vocational training, but still lack objective and in-depth information. Urban students have a greater range of choice, reflecting more diverse labour markets in cities. However, suburban and rural young people have more limited access to information. Vocational training schools, colleges and universities do provide counseling, however, the information provided is rarely objective.

Many parents and their children continue to value qualifications from particular institutions, and tend not to pick courses that best match possible future employment opportunities. Young people were only interested in institutions that demanded average exam results, and were more likely to make ill-thought out and impromptu decisions regarding further education.

Employment and skills

Fewer young people in urban areas wish to work in the public sector. At present, young

³ Discussion groups divide universities into two groups: "Top grade" and "Second grade". The "Top grade" are established national universities, with high entrance requirements. Students graduating from these schools have a better chance of finding work. The "second grade" are private schools, newly upgraded to university status from regional or provincial colleges with lower entrance requirements (for some, the entrance marks are equal to the lowest threshold by the Ministry of Education and Training). Second grade institutions are less well trusted by employers.

people at monitoring sites prefer to work in the private sector because: (i) there are more opportunities; (ii) “having connections” is less important than in the public sector; (iii) there are performance-based and capacity-based benefits for employees; (iv) it is easier for workers to move between companies. A number of respondents claimed that those who want to work in the public sector have more limited capacity, and are dependent on connections and nepotism.

Many have difficulty applying what they have learned once employed. Most young people with vocational and tertiary qualifications said their skills and knowledge had limited application to their work. Those who had studied at technical schools complained that their courses had been too theoretical and the equipment used in practical sessions was out of date.

Some employers report that **few graduates have the skills required.** Businesses employing technical workers appreciate the quality of those who graduate from some prestigious vocational schools; however colleges and universities providing similar courses produce graduates with less technical knowledge and higher salary expectations.

Many find employment in fields unrelated to their qualifications. Young people graduating from intermediate vocational schools, colleges and universities frequently have to take lower-skilled jobs. Some students work while studying, often in areas related to their field of study to gain practical experience and skills. Some employers in Go Vap say these students have more advantages than those who have not worked.

It is not difficult for young people finishing high school to find jobs at factories or industrial parks. They are often recommended for positions by relatives or friends who are working in the company, or respond to announcements in posted on factory gates. However **it is becoming harder for unskilled workers with limited education to find jobs,** because at present many companies give priority to skilled workers with at least upper secondary educational levels. During the economic difficulties in 2012 many businesses had to cut their labour force and most laid off mainly unskilled workers.

Migrant workers receive technical skills training at their work place. Seventy-eight percent of workers in the survey sample in 2012 said they learned “technical skills” at their work place. Less than ten percent said they also learned foreign languages, computer skills, management and other soft skills. **As most migrant workers are only familiar with specific operations on assembly lines** few learn “useful” and transferable skills.

After a few years of work experience several interviewees sought to improve their skills and education through on the job training or formal education. Female married workers, however, have more difficulty finding the time for extra study as they have domestic commitments and tend to be the primary careers.

Most young urban people, including those from poor households are not interested in short-term vocational training programmes although they are supported by the State. The most common reasons are: (i) Poor households cannot give up work for even short periods; (ii) They prefer to receive on-the-job training or in workshops whilst working rather than attending official training courses; and (iii) People are worried about the quality of short-term training courses.

Inequality

Three dimensions of inequality are highlighted in the report: “inequality of outcomes”, focusing on economic inequality; “inequality of opportunity”, for example access to education, health, and employment; and “inequality of process”: the role of power, connections and nepotism. All groups held that the **different dimensions of inequality are closely related,** however, groups understood each dimension differently.

Inequality in outcomes

Most groups think that economic inequality has increased in the past five years, with urbanization being the driving factor. Off-farm work in particular has become more diversified. Those in more senior, stable jobs (dormitory owners, government officials or company managers) are better off. Freelance workers and agricultural workers have unstable incomes and so are relatively poor. Those best

able to adapt to the changing economy tend to become better off.

All groups accept economic inequality as an outcome of different factors such as capital, skills, knowledge, willingness to accept risks and work hard, and “fate” (for example, family background). However, economic gain from corruption and dishonesty is not accepted.

Inequality of opportunity

Inequality in access to education has reduced in the last five years. Poor households consider their children’s education to be a means to escape poverty and so invest in education. However, disparities in access to upper secondary education and above are high, especially in disadvantaged areas.

Nevertheless, the rich have better access to high quality education than the poor. Rich people are able to invest more in their children’s education than poor households. They can choose “good schools and selected classes” for their children, while poorer households choose local schools. More expensive education services (international schools, English language classes with foreign teachers, studying abroad, etc.) are only for children from well off backgrounds.

Inequality in access to health care has increased in the last five years. Poor people have basic health insurance while better off people have access to better quality insurance and health services. Many people also report that health workers discriminate against the poor. Rich people pay “envelope money” so they receive more attention.

Inequality in access to employment is a particular concern of the young. Many parents in the north (Kim Chung Commune, Ha Noi and Lam Ha Ward, Hai Phong) prefer their children to be “officials” in the public sector rather than work in the private sector. They believe such jobs are more stable and provide more opportunities for promotion and higher incomes. However, the demand for such jobs is much greater than the

supply. As a result many people rely on connections and the ability to pay to secure employment. The young and poor are most concerned about this form of inequality, which they believe is increasing. In the south (Ward 6, Go Vap, HCMC) relationships are less important as there are more opportunities in the private sector.

Inequality in employment between locals and migrants is reflected in the access to employment information. Urban residents have better access to information than rural residents, so they tend to have more employment opportunities. Workers from rural areas also have fewer urban contacts, exacerbating the problem.

Inequality of process

Inequality of process is thought to have increased in the last five years. Discussion groups often stress **the unjust role of connections, power and corruption, considering these to be overarching factors that affect other types of inequality.** People with connections and power are getting richer thanks to their access to better resources and information.

Most groups do not accept inequality due to the abuse of connections and power, considering it to be a social injustice that reduces people’s trust in the state.

However, some youth groups mention the positive role of “social capital” as a means to find jobs in the private sector. They value relationships with acquaintances who can provide jobs and who do not demand payment.

Socialization

“The State and People joining hands”, “joint contribution” and “diversification of services” are common understandings of “socialization”⁴. People tend to see socialization as the provision of different models of education and health care. The majority of those interviewed **do not associate**

⁴ According to the Decree No. 73/1999/ND-CP dated 19 August 1999 of the Government, “socialization of education, health care, cultural and sport activities is the mobilization and organization of widespread participation of the people and the whole society into the development of such activities, in order to gradually increase the enjoyment levels of education, health care, cultural and sports in the material and spiritual development of the people”. The Decree No. 73//1999/ND-CP was then replaced by the Decree No. 69/2008/ND-CP dated 30 May 2008 of the Government.

socialization with “participation and empowerment”, suggesting that socialization is still misunderstood at the grassroots level.

Contributions and cost sharing

In the last five years, there have been various small infrastructure development activities using funding from socialization sources. These include local roads, water supply installations, electricity meters, public lighting and solid waste collection.

Through the “Day for the Poor” Campaign, “Kind Hearted Fund” and “Poverty Reduction Fund”, many households have received support for accommodation and livelihoods. On national holidays or at Lunar New Year, disadvantaged households often receive gifts from the ward or commune. Many patrons, companies and religious establishments have joined together to help the poor in various ways. Some campaigns that support poor people trying to find new livelihoods have been highly appreciated. For example, Ward 6, Go Vap, HCMC provided motorbikes for poor people to operate motorbike taxis.

Socialization in education is discussed most. Parents are often asked to contribute various sums to serve the students’ needs, but also to upgrade schools, buy teaching aids, and fund extra activities. Socialization has helped improve the school and provided better learning opportunities for students.

Diversification of services

Education. Diversification has helped provide more educational opportunities for children. Diversification also provides more opportunities for people from disadvantaged backgrounds, as they can learn while working. However, people complain that **socialization creates over-commercialization of education.** There are many negative phenomena in education, such as uncontrolled extra classes, competition for good schools, or having to give teachers “envelopes”. Socialization is also said to be the reason for their being “too many bachelors and not enough workers”. Increasing numbers of universities with easier entry conditions means that in many sectors there is an over supply of qualified candidates.

Health. Socialization has created more choices for health care. In areas where private hospitals are well established such as Ward 6, Go Vap, HCMC, many people, particularly those on average incomes think that private hospitals provide a good service and that the practice of “receiving envelopes” has been minimized. Private hospitals also treat patients with health insurance, creating competition between public and private hospitals, which is good for patients. However, in places where private hospitals have just started to develop, such as Lam Ha Ward, Hai Phong, people say their presence has not solved overcrowding in public hospitals because their fees are higher.

Participation and empowerment

All the groups say that **small infrastructure development based on people’s contributions are activities with the most effective consultation, feedback and supervision.** The development of any infrastructure is the subject of many meetings. During implementation, a People’s Supervisory Board is set up, including quarter or hamlet cadre and responsible and educated residents. The Board supervises and monitors construction, and reports back to the people at quarter or hamlet meetings. Contributions to support the poor and the disadvantaged are also transparent and the list of contributors and the amount is made public.

However, the reality is that only local cadres and richer people who make large contributions are able to express opinions about infrastructure development. Poor people make limited financial contributions and so are reluctant to make themselves heard and tend to vote in line with the majority.

Schools organize most socialization activities and parents tend not to contribute many ideas. Parent boards do not really represent poor parents, who make few suggestions, as they fear that their opinions don’t have weight, or that their children’s education may be undermined.

In addition, some types of contributions are repeated to buy the same kind of teaching aid or equipment. According to some parents, teaching aids or equipment should not wear out after just one school year. This leads to doubts about the transparency of the school’s use of contributions.

The negative side of socialization

The biggest concern is that the total contributions are higher than poor households' incomes. Some activities have concessions for poor households; however, most poor households believe that if they do not pay the full contribution they will receive a substandard service. The role of the parent's board in education socialization activities is limited, and the board does not represent poor parents. Most groups accept that contributions are necessary; however they recommend that poor households' should make lower contributions.

Socialization in health care and education creates two tier services, increasing inequality. In education, rich people can send their children to good schools or international schools, and enjoy better health care services, better doctors and better medicines. According to most discussion groups, the attitudes of service providers are also different: rich people often receive better service compared to the less well off.

CONCLUSION: TOWARDS SUSTAINABLE URBAN POVERTY REDUCTION

In the past five years the lives of most of the urban poor at all the monitoring sites have improved. Poor people have better infrastructure, better housing, better education for their children and more assets. Many households have escaped poverty by changing their livelihoods and investing in their children's education.

Urban poverty in Viet Nam reduces gradually if looked at only income or expenditure terms, even if the poverty line is raised. However, once other dimensions are considered, urban poverty remains a concern. Lack of education and skills, an inability to change livelihoods, a lack of social capital, limited access to public services, uncomfortable living conditions and unsafe conditions are the major disadvantages for poor people in urban areas. Migrant poor people also face higher living costs and have limited access to public services and social protection.

Urban poor people are disproportionately affected by multi shocks. Most poor people have limited access to social protection programmes as they often work in small private enterprises and in informal sectors. Insurance support programmes and cash transfer programmes need to be improved so as to better identify beneficiaries and the level of support required.

The high cost of education is a burden for the urban poor. There is a mismatch between the quality of human resources (particularly technical skills) and market demand. Secondary education graduates lack objective and in-depth career information. Short term vocational programmes for the urban poor are not effective. Workers in labour intensive industries do not learn transferable skills and many college and university graduates struggle to find jobs in their areas of expertise.

People are increasingly concerned about inequality. Socialization has helped to mobilize society to reduce poverty and improve education and health care. However, socialization is often understood as the requirement to make contributions in return for services, thus creating financial burdens for the poor and widening inequalities in accessing services.

The results of urban poverty monitoring show that urban poverty reduction in Vietnam is facing new challenges and requires new approaches. If the challenges are not properly dealt with, quality of lives of the local and migrant poor will remain low, their vulnerability will be high, and the inequalities will continue to be increased. This report proposes eight recommendations for action on poverty in urban areas:

- 1. Use multi poverty dimensions to monitor urban poverty.** A system of regular monitoring and evaluation is required to design policies to address the needs of specific groups. This should include the means to measure the impact of shocks on different groups of poor and vulnerable people. This would be a significant improvement on the annual "poverty review" which uses only income as an indicator of poverty.
- 2. Design proper support policies that do not discriminate against migrants and rely on ownership of a resident registration book.** Migrants need support finding safe employment, accessing social protection and reducing urban living costs. "Social capital" of migrants can be improved by creating more opportunities for them to participate in community activities, self-help services, peer group activities, cultural and communications activities on legal knowledge and life skills, with the active participation of stakeholders.
- 3. Urban planning and budget allocations should be based on the total population, including migrants.** This would gradually solve the problem of overloaded housing services (especially water supply and environmental sanitation), health care and education, and priority should be given to suburban areas with large populations of poor people and migrants, particularly those with young children.

4. **Allocate more investment to urban poverty reduction.** Employment in urban areas and remittances by migrants play an important role in the diversification of livelihoods for rural residents. Therefore, urban poverty reduction programmes should have greater resources. The instruction by MOLISA to hold a poverty review of temporary residents of more than six months, regardless of the status of registration status, should be adhered to.
5. **Develop comprehensive and easily accessible social protection that does not discriminate against migrants in urban areas.** Expanding the group eligible for subsidized health insurance so as to reach the target of universal health insurance should be continued. Groups who receive cash transfers defined as “especially poor” or experiencing “extremely difficult” conditions, poor with young children in urban areas should be expanded. There should be a policy to provide timely support to groups at risk, including migrants. The level of support should be increased so as to have a practical impact, and there should be a mechanism to adjust it in response to relevant market price movements. A mechanism to supervise cash transfer programmes should be developed and a mechanism to monitor the implementation of social protection policies (with tools such as citizen report cards, social audits, public debate, local budget analysis, etc.) should be established.
6. **Adjust policies to support effective vocational training for the urban poor,** such as supporting enterprises to provide training for workers, supporting studying and working in parallel with attachment to private households business, or urban business associations (not only “official vocational training centers”). **Provide more in-depth and objective vocational information for upper secondary school graduates.**
7. **Develop a concrete policy to facilitate participation and empowerment especially in health care and education.** Closely manage schools in mobilizing parents to contribute to various funds, so as to reduce the costs for urban poor.
8. **Create more effective policies to support small enterprises in promoting enterprises’ social responsibility and promote the formalization of informal activities.** These policies in the medium and long term will support the poor and migrants to reduce the risks of unemployment and to have better access to social security system.

ActionAid is an international anti-poverty agency working in over 40 countries, taking sides with poor people to end poverty and injustice together. ActionAid International Viet Nam (AAV) is an organic part of ActionAid International (AAI), targeted to be a full member of AAI global federation. AAV has been working in the country for 20 years with long-term development programmes in Northwest mountains, Central Highlands, Mekong Delta, and poor urban areas. Applying human rights-based approach, AAV plans to deliver its commitments through five programme priorities: (1) Promote alternative livelihoods and sustainable agriculture; (2) Advance accountability and people-to-people solidarity for social change, increase youth leadership and civil society credibility; (3) Promote equal access to quality education for children; (4) Respond to disaster and climate change impacts with people-centered alternatives; and (5) Build social and political alternatives for women and girls.
www.actionaid.org/vi/vietnam

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