

TERMS OF REFERENCE

INSTITUTIONAL CONSULTANT FOR TECHNICAL BACKGROUND PAPER (TBP)

2014 VIET NAM NATIONAL HUMAN DEVELOPMENT REPORT

Small-scale Survey – Perceptions of Inclusive Growth

PART I: GENERIC BACKGROUND INFORMATION

Introduction

The concept of human development emerged in the late 1980s based on the writings of Dr. Amartya Sen and Dr. Mahbubul Haq. The human development approach puts people at the centre of the development agenda. The purpose of development is to improve human lives not only by enhancing income but also by expanding the range of things that a person can be and do, such as to be healthy and well nourished, to be knowledgeable, and to participate in community life. Development is therefore about removing the obstacles to what a person can do in life, obstacles such as lack of income, illiteracy, ill health, lack of access to resources, or lack of civil and political freedoms. The approach is about expanding people's choices with the ultimate goal of human wellbeing and human freedom.

The first global human development report was launched in 1990 by the UNDP and has been prepared annually since then. Each year, HDRs address a theme highly relevant to the current development debate. Viet Nam prepared its first national Human Development Report in 2001 titled *Doi Moi and Human Development in Viet Nam*. It focused on the *doi moi* policy reforms and their impact on poverty reduction and human development. Since then, Viet Nam has changed rapidly with remarkable growth and a substantive reduction in poverty levels. The second National HDR was produced in 2011 *Social Services for Human Development* highlighting the challenges many Vietnamese face in accessing basic social services.

The 2014 NHDR will focus on *Growth that Works for All: Enhancing Equal Opportunities*. The topic has been chosen based on consultations with stakeholders. The 2014 NHDR is part of a UNDP supported project of *Strengthening Capacity for Human Development Policy Making in Vietnam* with the Vietnam Academy of Social Sciences (VASS) as the national implementing partner. VASS has the overall responsibility of coordinating the preparation of the NHDR with technical and management support provided by UNDP. A Technical Working Group (TWG) consisting of senior researchers and experts will guide the overall process and provide substantive comments on TBPs and the report.

2014 NHDR Growth that Works for All: Enhancing Equal Opportunities

Viet Nam's human development progress, poverty reduction and economic growth are slowing. Poverty is becoming more entrenched and concentrated among ethnic minorities. Declining inclusiveness and associated rising inequalities, particularly inequalities in voice and power, exacerbate Viet Nam's structural challenges and thus affect the pattern and pace of growth and human development progress. This report suggests that a more inclusive approach to growth with a focus on productive employment and enhancing participation will not only address inequalities but also help lift Viet Nam on a more sustained growth path.

The NHDR seeks to address the following key questions:

- How inclusive has Viet Nam's growth trajectory been over the past 10 years?
- What is driving exclusion/disparities? How important are participation and voice in exacerbating disparities?
- How could inclusiveness contribute to growth and human development, address rising inequalities and ensure social cohesion?

The draft outline of the report can be found in Appendix 1.

The following preliminary working definition of inclusive growth will be used: '*Growth is inclusive when it allows all members of society to participate in, contribute to, and benefit from growth on an equal basis, regardless of individual circumstances. Inclusive Growth is both an outcome and a process*'.

As an outcome, inclusive growth results in:

- improved human development outcomes for the country, regions and diverse groups;
- expansion of inclusion of people in growth through business activities, employment and self-employment;
- eradication of both income and non-income inequalities;

- improved social inclusion and cohesion;
- institutional and policy environment that is conducive to long-term sustainable inclusive growth.

As a process, the focus is made on removing institutional, political and value-based barriers to inclusive growth. More specifically, key reforms and actions include:

- creating conditions for all to influence decision-making process and promote inclusive growth;
- creating conditions for all to contribute to growth through business activities, employment and self-employment;
- adopting policies and reforms supporting broad-based growth in multiple sectors;
- strengthening capacities of multiple partners to contribute to and benefit from growth process (vulnerable groups, public service, NGOs); and
- enhancing mechanisms and practices of growth benefits sharing (income and non-income such as access to social services, education and healthcare) in terms of equity, transparency, effectiveness and efficiency.

PART II: SPECIFIC SCOPE OF WORK

The NHDR team is commissioning a number of Technical Background Papers (TBPs) on a range of topics to contribute to the development of the 2014 NHDR. Selected TBPs will also be used as stand-alone policy papers to raise awareness on important policy issues.

The research team will be required to produce a TBP on the following topic:

Small-scale Survey – Perceptions of Inclusive Growth

Rationale for Survey

Three key indexes are used as the basis for analysing trends in human development: the Human Development Index (HDI), the Gender-related Development Index (GDI) and the Human Poverty Index (HPI). Since 2010 the Global HDR also includes calculations of an Inequality-adjusted Human Development Index (IHDI) and Gender Inequality Index (GII) as well as a Multi-dimensional Poverty Index (MPI). The HDI is made up of three sub-indexes: income (GDP per capita PPP), life expectancy, and education (adult literacy rates and gross enrolment rates). For the 2014 NHDR the above indicators will be used in combination with indicators on economic growth, income distribution, employment, access to social services and social safety nets, to highlight trends and patterns of economic growth and its inclusiveness or lack thereof.

However, quantitative indicators may not reflect people's perception of 'inclusion/exclusion'. People may have their own understanding of the concept, its dimensions and may give different weights to different aspects. A better understanding of people's perception of inclusive growth and inclusiveness will complement quantitative measurements. People's perceptions are also important to better understand responses to patterns of exclusion, an important concern in relation to social cohesion.

People's perceptions can shed light into intra-community and intra-household movements which may be important drivers of 'exclusion' and affect social cohesion. A qualitative survey can also provide information on why some people lag behind while others manage to advance faster. It can also identify newly emerging groups and issues that may prevent people from seizing the opportunities afforded by economic growth. Finally, the qualitative study will also collect 'human stories' which will illustrate patterns of inclusion/exclusion and their respective drivers, important to complement the narrative of the NHDR.

Objective

The **objective** of this study is to collect qualitative information and human stories to:

- complement available quantitative data on 'excluded' groups, patterns of lack of/ declining inclusiveness of growth and their drivers including information on intra-household dynamics;
- better understand people's perspectives of inclusion or lack thereof and what 'inclusive growth' means to people as well as its components/ dimensions;
- provide information on how declining or lack of inclusion may affect social cohesion; and

- in a forward-looking approach, to identify emerging groups which are struggling to benefit and participate in the opportunities afforded by economic growth and to identify drivers of these new patterns of 'exclusion'.

Research topics should include:

- (i) People's views on the meaning and components as well as measurements (dimensions, weights, etc.) of inclusive growth/ 'inclusiveness';
- (ii) Perceptions on patterns of inclusiveness of growth, including:
 - o Views of groups 'lagging behind', being "less included" and/or 'excluded', and of any newly vulnerable groups which find it hard to benefit or contribute to growth and which may be trapped in the transition to higher segments of the labour market;
 - o Concerns about patterns of declining inclusiveness or the severity of being trapped/ 'excluded' and potential linkages to social cohesion, acceptance of being 'excluded' and expectations;
 - o Views on drivers of declining inclusiveness or the seriousness of being trapped (subjective versus non-subjective factors);
- (iii) Discussion about the role of policy initiatives in building up human and community endowments that can effectively increase the capacity to seize opportunities from growth, and to avoid being trapped in the transition to higher segments of the labour market.

The analysis of above questions will be based on the broader definition of inclusive growth and human development, particularly the voice and participation aspect (capability approach).

Research activities

- Conduct literature review of recent related studies in Vietnam and other relevant countries.
- Conduct a small-scale qualitative survey focusing on households as well as household businesses.

Survey scope

The survey should cover primarily population groups which have moved beyond the poverty line but have difficulties progressing further and remain 'trapped' in low productivity and/or low paid jobs. Survey sights should include the following characteristics:

- Geographical concentration of ethnic minority groups (ethnic minorities face a huge risk of lagging behind).
- Rural area (farmers face a huge risk of being trapped in low-value agriculture activities or non-agriculture low-income jobs).
- The peri-urban area (to capture transitions from agriculture to non-agriculture activities, informal jobs, experience high risk of being trapped)
- Urban area (to capture transitions from informal to formal jobs, as well as from rural agriculture activities to urban jobs as migrants face high risk of being trapped)

Provinces (maximum at 8) should be purposive selected to cover the above sites from the North, the Centre and the South of the country.

Methodology

The above mentioned research questions will be analysed using a participatory approach with focus group discussions and non-structured interviews. The participatory approach seeks to involve the interviewees in shaping the discussion and information development. Guidelines will be developed based on the analysis and consolidated information from the literature review.

Work plan

- The study will be from Mar to Sept 2014, phased into 02 periods.
- o **Phase 1** intends to collect initial results from 2-3 provinces and to test the survey questionnaires/ guidelines. Findings of Phase 1 will be presented at a Technical Seminar.

- **Phase 2:** Based on the feedback received and an analysis of the pilot phase, Phase 2 aims to conduct in-depth survey in all sites, and validate the results of the pilot phase. Findings will be presented in a Technical Seminar and summarized in a final report.

List of Outputs and deadlines

No	Delivery	Deadline
1	01 final stand-alone technical report, in English	August 2014
2	01 draft background paper in English (Summary of initial findings from literature reviews and fieldwork by site; and boxes and human stories, to be ready as inputs for the National Human Development Report)	1 st draft by mid April 2014, 2 nd draft by mid May 2014, Finalized by June 2014
3	01 technical seminar to discuss findings of Phase 1	end March 2014
4	01 technical seminar to discuss findings of Phase 2	May 2014

Research team

The team should be composed of 05 senior researchers and 05 research assistants. The leader will be responsible for the report draft and its finalization.

Leader

- Graduate degree in economics, development studies, social studies or related fields;
- Experienced in leading qualitative researches on participatory poverty assessment, on perception assessment in many provinces in all regions in Vietnam.
- At least 5 years working experience in the related fields, participatory poverty assessment;
- Sound technical knowledge on development, social network, participation, social protection/social assistance/poverty reduction/capacity development/organizational development and institutional strengthening;
- Good networking, partnership building and inter-personal skills;
- Good spoken and writing skills in both Vietnamese and English.

Senior researcher

- Graduate degree in economics, development studies, social studies or related fields;
- At least 5 years working as a facilitator in qualitative researches on participatory poverty assessment, on perception assessment in many provinces in Vietnam.
- Sound technical knowledge on development, social network, participation, social protection/social assistance/poverty reduction/capacity development/organizational development and institutional strengthening;
- Good networking, partnership building and inter-personal skills;
- Good spoken and writing skills in both Vietnamese and English.

Researcher assistant

- University degree in economics, development studies, social studies or related fields;
- At least 3 years working as a research assistant in qualitative researches on participatory poverty assessment, on perception assessment in many provinces in Vietnam.
- Good networking, partnership building and inter-personal skills;
- Good spoken and writing skills in both Vietnamese and English.

APPENDIX 1:

Tentative Structure of NHDR 2014

PART I: HUMAN DEVELOPMENT TRENDS IN VIET NAM

Part I focuses on the analysis of trends in human development in Viet Nam over the past 10 years using HD indicators and multi-dimensional poverty measurements. International comparisons (with relevant countries such as China, Indonesia, Thailand, etc.) will be made.

PART II: INCLUSIVE GROWTH AND HUMAN DEVELOPMENT

Chapter IIA: What is inclusive growth and why it is important?

This part introduces international definitions, measurements and discussions on inclusive growth, its importance and relevance to human development.

Chapter II B: How inclusive has growth been in Viet Nam?

This part provides a working definition and set of measurements of inclusive growth appropriate for Viet Nam. These measurements are then applied to assess to what extent growth has been inclusive in Viet Nam over the past 10 years. This chapter will assess who has been left behind. Human/life stories will complement the quantitative analysis to illustrate patterns of exclusion and disparities.

Chapter II C: What is holding inclusive growth back?

This part explores why growth has not been inclusive and analyse factors driving declining inclusiveness. The discussion will focus on factors of inclusion/exclusion related to public resource allocation and use, in particular factors related to participation in decision making. The chapter will examine various case studies and use - where appropriate – a political economy analysis.

PART III: TOWARD MORE INCLUSIVE GROWTH

Part III explores how a more inclusive approach could contribute to sustained growth, further human development and address rising inequalities. It will also include discussions on the potential impact of declining inclusiveness on social cohesion. The last part will suggest concrete policy recommendations based on lessons learnt from other countries and the findings of this report.