

Second Quarterly Report for the period January – March 2011

Project: Technical assistance for enhancement capacity of HFIC and project owners financed under AFD's credit line (HCE Project)

Bidding package: Program of improving actual methods on responsibility of social and environmental protection (HCE2 Package)

In accordance with the contract between HFIC and DWW, from 20th September 2010

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Abbreviations

AFD French Development Agency

BoD Board of Directors

DONRE Department of Natural Resources and Environment of Ho Chi Minh City

DWW Development Worldwide

EIA Environmental Impact Assessment

E&S Environmental and social

HCMC Ho Chi Minh City

HFIC Ho Chi Minh City Finance and Investment State-owned Company

WB World Bank

WWTP Waste Water Treatment Plant

Introduction/Background

This Quarterly Report covering the period January – March 2011 was elaborated according to the Terms of Reference for HCE-2 Bidding Package. It describes activities carried out by the DWW (“Consultant”) from January to March 2011. The report also contains detailed schedule and program for activities planned in the next quarter (April – June 2011).

The following key activities were undertaken within the monitoring period:

- Finalization of training materials for the trainings for all beneficiaries
- Organization arrangements for the trainings
- Training for HFIC managers and technical staff
- Training for social housing construction companies
- Training for hospitals and other health care institutions
- Elaboration and submission of the first quarterly report

Within the first run of the trainings, there were trained in total 130 representatives from the above listed groups of beneficiaries.

The submitted report is the third one in sequence in the frame of above mentioned project. There were no comments received to the previous report (First quarterly report).

Concerning the financial management, the first payment was received on 18th March 2011, the second payment was received on 11th April.

DWW tried to obtain addition financial sources for extending of this project’s activities, but its application was not approved by the Czech Development Agency for 2011. In case of confirmed interest by the HFIC and AFD, we might prepare another application for a follow-up program since 2012.

Next report will cover the period of April – June 2011.

1 Activities carried out during the 1st quarter of 2011

1.1 Organizational arrangements for the first series of training

Implementation of the first series of training was planned for the early beginning of January 2011, but due to unsecured participation of the groups of beneficiaries other than HFIC, the training had to be postponed.

New date for the first series of training was agreed for March. As for the dates, it was proposed to start the training on 7th March 2011.

The proposed training schedule was approved by HFIC for 3 groups (HFIC, hospitals and other health care institutions, and social housing construction companies). It was agreed to make additional half day training for the HFIC managers and members of the BoD.

The training materials were prepared by Czech DWW experts in English and translated to Vietnamese. The Vietnamese consultants (members of the DWW team) prepared case studies and presentations related to the training case studies. The complete set of training materials in Vietnamese was made available for the participants of the training in hard copies. All training materials in English and Vietnamese used for the March training are attached in electronic form to this report as Annex 9.

The suitable training premises and related services were booked at the Fides Center located nearby HFIC office in the City center.

HFIC confirmed the number of training participant from all three groups for the March training and sent list of participants from hospitals and construction firms.

Meeting with HFIC on 4.3.2011

HFIC: HCE2 project team (Ms. Van Thi Hai Duong, Ms. Nguyen Ngoc Hoang Lan, Ms. Hoang Thi Hong Nhung, Mr. Duong The Vu, Mr. Lam Hoai Anh)

DWW: Mrs. Monika Pribylova, Mr. Jan Stejfa

DWW informed about readiness for the training (training materials are translated and being printed, training premises are ensured in the Fides Center, interpreters and trainers are ensured).

HFIC informed about the clarification of the number of training participants and preparation of the list of participant from HFIC.

DWW asked for meetings with representatives of environmental companies in order to discuss the project activities related to the implementation of ISO 14001 (EMS). As the January training was cancelled, it is necessary to carry out the first ISO 14001 seminar (activity no. 5.1) in the frame of the next training series in May in order to prevent the further delay of the project. The training for environmental companies did not take place in March, therefore it is necessary to meet the potential participants of the ISO seminars individually and discuss the scope of their participation.

DWW and HFIC discussed the preparation of the field trips for hospitals and construction companies. It was agreed that the site for the field trip will be discussed with the respective groups during the trainings.

1.2 Training for the HFIC managers

Date: 7 March 2011, from 13.30 to 17.00 h

Participants: The list of participants is listed in Annex 2.

DWW trainers: Mrs. Simona Kosikova, Mrs. Monika Pribylova, Mr. Jan Stejfa, Mr. Tomas Vanicky, Mrs. Nguyen Ngoc Ly, Mrs. Phung Thi Huong

The training was carried out in accordance with the beforehand approved program, which is attached in Annex 1. The training was attended by 46 HFIC managers and members of HFIC Board of Directors.

Mr. Quan opened the training by introducing the HCE2 project.

The moderator of the program (MC), Mrs. Nguyen Ngoc Ly started the training by introducing the key members of the HFIC management and BOD.

Participants were given the training materials (Handbooks) in Vietnamese (see Annex 9).

This training was focused on introduction of key themes in the area of Environmental and Social safety important for the managers.

At the end of the training, the participants had several comments which stressed the need to show practical examples and practical application of the presented topic in the following training for the HFIC technical staff.

1.3 Training for the HFIC technical staff

Date: 8 and 9 March 2011, from 8.30 to 16.30h

Participants: The list of participants is listed in Annex 2.

DWW trainers: Mrs. Simona Kosikova, Mrs. Monika Pribylova, Mr. Jan Stejfa, Mr. Tomas Vanicky, Mrs. Nguyen Ngoc Ly, Mrs. Phung Thi Huong, Mrs. Duong Thuy Kim, Mr. Dinh Nhat Dao

The training was carried out in accordance with the beforehand approved program, which is attached in Annex 1. The training was attended by 39 HFIC technical staff.

The moderator of the program was Mrs. Nguyen Ngoc Ly.

Participants were given the training materials (Handbooks and presentation slides) in Vietnamese (see Annex 9).

This training was focused on detailed introduction of the Environmental and Social safety themes. The training contained also practical examples, introduction of European and Vietnamese case studies, discussion and exercises.

The exercise related to project management aimed to give hands on example of application of the Logical Framework Matrix as one of the Project management tools.

During the training, the participants had comments and questions related to application of the presented methodology and tools in a financial company.

The participants received a certificate about their attendance at the training.

1.4 Training for hospitals and other health care institutions

Date: 10 and 11 March 2011, from 8.30 to 16.30h

Participants: The list of participants is listed in Annex 2.

DWW trainers: Mrs. Simona Kosikova, Mrs. Monika Pribylova, Mr. Jan Stejfa, Mr. Tomas Vanicky, Mrs. Nguyen Ngoc Ly, Mrs. Phung Thi Huong, Mrs. Duong Thuy Kim, Mr. Dinh Nhat Dao

The training was carried out in accordance with the beforehand approved program, which is attached in Annex 1. The training was attended by 31 representatives from hospitals and other health care institutions.

The moderator and interpreter of the program was Mrs. Nguyen Ngoc Ly.

Participants were given the training materials (Handbooks and presentation slides) in Vietnamese (see Annex 9).

This training focused on detailed introduction and overview of the Environmental and Social safety themes relevant to health care institutions. The training contained also practical examples, introduction of European and Vietnamese case studies, discussion and exercises.

The exercise related to project management aimed to give hands on example of application of the Logical Framework Matrix as one of the Project management tools in preparation of a project for loan application related to hospitals issues.

During the training, the participants had comments and questions related to application of the presented methodology and tools in their respective hospitals and other health care institutions.

At the end of the training the question was raised which of the presented hospitals would be willing to host the field trip (activity no 3.4.2). The representative of the Hospital Trung Vuong, Mr. Hung expressed interest to host the field trip for representatives of hospitals and health care institutions in May.

The participants received a certificate about their attendance at the training.

1.5 Training for social housing construction companies

Date: 15 and 16 March 2011, from 8.30 to 16.30h

Participants: The list of participants is listed in Annex 2.

DWW trainers: Mrs. Simona Kosikova, Mrs. Monika Pribylova, Mr. Jan Stejfa, Mr. Tomas Vanicky, Mrs. Nguyen Ngoc Ly, Mrs. Duong Thuy Kim

The training was carried out in accordance with the beforehand approved program, which is attached in Annex 1. The training was attended by 14 representatives from social housing construction companies.

The moderator and interpreter of the program was Mrs. Nguyen Ngoc Ly.

Participants were given the training materials (handbooks and presentation slides) in Vietnamese (see Annex 9).

This training focused on detailed introduction and overview of the Environmental and Social safety themes relevant to social housing construction companies. The training contained also

practical examples, introduction of European and Vietnamese case studies, discussion and exercises.

The exercise related to project management aimed to give hands on example of application of the Logical Framework Matrix as one of the Project management tools in preparation of a project for loan application related to housing construction companies' issues.

During the training, the participants had comments and questions related to application of the presented methodology and tools in their respective construction companies.

There was a discussion about suitable construction site and relevant data with delegate of Binh Chanh Construction Investment Share Holding Company Ltd. The company already adopted ISO 14001 and they are interested to share their experience with other social housing construction companies.

The participants received a certificate about their attendance at the training.

At the end of the training, the question was raised which of the presented construction companies would be willing to host the field trip (activity no3.5.2).

Three positive answers were obtained:

1. Company name: Binh Chanh Construction Investment Share Holding Company Ltd.

Address: 550 Kinh Duong Vuong Street, An Lac, Binh Tan District, HCMC

General director: Mr. Nguyen Thuy Nhan

Contact person: Mr. Thông Ngô-văn

Email: vanthong131@yahoo.com or thong@bccci.vn

Cell phone: 0918 500 781

2. Company name: District 10 Social Services One Member Company Ltd.

Address: 466 Nguyen Chi Thanh Street, District 10, Ho Chi Minh City

Director: Mr. Tra Duc An

Contact person: Ms. Huynh Huu Huy

3. The third company expressed its interest to HFIC and DWW has no contact.

1.6 Meeting with HFIC

Date 14.3.2011, from 13:30 at HFIC office

HFIC: Mr. Vuong Duc Hoang Quan, Ms. Van Thi Hai Duong, Nguyen Ngoc Hoang Lan, Ms. Hoang Thi Hong Nhung, Mr. Duong The Vu, Mr. Lam Hoai Anh

DWW: Mrs. Simona Kosikova, Mrs. Monika Pribylova, Mrs. Nguyen Ngoc Ly, Mr. Jan Stejfa, Mr. Tomas Vanicky

During this meeting the following points were discussed:

- a) Financial situation – state of DWW's unpaid invoice
- b) Plan for next mission in May

Financial situation

DWW stated that the situation with unpaid due invoices is unbearable and handed over a summary note describing the situation and the delay with the two payments. The note is attached as Annex 3.

DWW stated, that in case the Consultant does not received both due payments within 30 days from today (14.3.2011), then the Consultant will have to apply the article 2.6.2 of the General Conditions of Contract (terminate the contract) and will require the payment of all incurred cost prior to the effective date of termination in accordance with article 2.6.3. of the General Conditions of Contract.

Mr. Quan replied that that AFD understands DWW concerns and that it happened for the first time. HFIC is also concerned with the situation as they have no information from AFD what is going on. Mr. Quan proposed that HFIC will wait till the 16.3. and if no information is obtained until then they will send official letter/complaint to AFD office in Hanoi. If no response from Hanoi, Mr. Quan himself will travel to AFD Hanoi to find out what is going on and urge the payment.

DWW asked if there is any possibility to pay from HFIC own resources before receiving any payment from AFD.

Mr. Quan replied that HFIC is owned by the HCMC municipality and they can pay only according to the agreed plan. Nevertheless he will ask to try this way.

DWW asked about the interest from the due payments, as it is not specified in the contract.

Mr. Quan replied that this shall be discussed with AFD as they consult everything regarding the AFD funding with the AFD office.

Furthermore the payment procedure was explained - when the payment documents are approved by HFIC, the documents are handed over to the Ministry of Finances for approval, after this approval the payment document goes to AFD and AFD shall pay directly to DWW. (the second payment request was sent to Ministry of Finance at the beginning of 2011).

DWW stated that the contract was concluded between HFIC and DWW and DWW expect the payment from HFIC.

DWW also stated that DWW must cover all of the expenses at the time when it creates (travel expenses, training premises rent, translation, etc.)

Plan for next program in May

The proposal for next program was submitted. It includes implementation of the remaining trainings, field trips, workshop and the first ISO 14001 seminar. The proposed program is in the Record from the meeting between the Client and Consultant concerning the project continuation which is attached in Annex 4.

DWW stated that the next mission will be carried out only under condition that both payments will be received within 30 days (since 14.3.2011).

1.7 Meetings with environmental companies

Two meetings related to planning of the ISO 14001 implementation took place.

Meeting with Viet-Nhat representatives

Date: 14.3.2011 at HFIC office

Viet-Nhat: Chau Phuoc Minh, Tran Thai Phuong

HFIC: Ms. Van Thi Hai Duong, Nguyen Ngoc Hoang Lan, Ms. Hoang Thi Hong Nhung, Mr. Duong The Vu, Mr. Lam Hoai Anh

DWW: Mrs. Simona Kosikova, Mrs. Monika Pribylova, Mrs. Nguyen Ngoc Ly, Mr. Jan Stejfa, Mr. Tomas Vanicky

The meeting with representatives of Viet-Nhat about the ISO 14001 seminars took place in order to find out the interest of Viet Nhat company in the implementation of ISO 14001 and introduce the aim and organization of ISO 14001 seminars.

Mr. Stejfa explained the aim and scope of the activities and seminars related to preparation for ISO 14001 implementation.

Viet-Nhat company replied that they are interested in preparation for implementation of ISO 14001. They mentioned that they would like to officially register for the seminars on ISO 14001 and they are ready to send 3-4 people for these seminars.

Meeting with CITENCO representatives

Date 15.3.2011 at CITENCO office

CITENCO: Mr. Nguyen Thanh Son, Mr. Bui Trong Hieu, Mr. Tran Van Quan

HFIC: Ms. Hai Duong, Mr. Lam Hoai Anh

DWW: Mr. Jan Stejfa, Mrs. Monika Pribylova, Ms. Khanh Thanh Dang

The representatives of CITENCO (Ho Chi Minh City Urban Environment Company Limited) briefly explained their activities which are mainly connected to waste management.

Mr. Stejfa explained the aim and scope of the activities and seminars related to preparation for ISO 14001 implementation.

The company is interested in ISO 14001 implementation in the field of waste management – from waste collection to waste incineration in a new plant. It was agreed that CITENCO will send to DWW basic information about its firm.

2 Planned activities for next monitoring period

For the next monitoring period there are planned activities as follows:

- Training for Environmental service companies (ESC) – (May 17 and 18)
- Training for HCMC authorities – management topics - (May 19)
- Case studies on ISO 14001 implementation for ESC – 1st seminar – Initial review - (May 20)
- Field trip for social housing construction companies - (May 23 afternoon)
- Field trip for hospitals and other health care institutions – (May 24 afternoon)
- Training for HCMC authorities – expert topics - (May 25)
- Workshop for social housing construction companies – (May 26)

2.1 Training of beneficiaries in May

In May 2011, training of the two remaining groups of beneficiaries is planned – Environmental service companies and HCMC authorities.

The training program will be adjusted based on the experience from trainings carried out in March.

2.2 Planning of field trip for hospitals

The field trip to the hospital in HCMC for training participants from hospitals and health care institutions is planned as a half day program.

The site of the field trip – Trung Vuong hospital was selected during the training. Detailed programme of the field trip was not set yet and will be specified based on the communication with representatives of Trung Vuong hospital.

It is expected to focus on the construction of the building and the auxiliary operations like waste water treatment, laundry, cooling system, waste management and related social issues.

2.3 Planning of field trip for construction companies

The field trip to the construction site with social housing building in HCMC for training participants from construction companies is planned as a half day program.

Three companies are willing to host the field trip (see chapter 1.5), the exact place was not selected yet.

DWW would like to select such construction that has almost completed building envelop according to architecture design. There should be still work on implementation of the technical equipment and distribution systems on the building. It is also wanted to have opportunity to see disposal of solid/liquid waste on construction site.

DWW would like to get a data related to the budget of the building and some figures concerning to specific cost of construction, building materials and technologies which are used on the market in Vietnam.

In Annex 8, there is a detailed list of requirements - questions and figures - which are required from the construction company which will host the field trip. This text can be used for official letter to the company.

Not all of the required data are necessary to be obtained before the field trip. The list represents the ideal portfolio of data suitable for discussion during the following workshop.

2.4 Planning of workshops

The questionnaires related to selection of themes for the follow up workshops were handed over to participants during the carried out trainings. The aim of the inquiry (see Annex 5 and 6) was to find out preference themes of the participants and therefore to select the main focus of the workshop.

The result of the preferences is the following:

From the 46 HFIC managers who took part in the training, 33 filled the questionnaires. The most frequent themes are:

- Application of the World Bank guidance on Environmental, Health, and Safety and WB Performance Standards on Social and Environmental Sustainability (60 % of respondents),
- Project management, methods and tools, evaluation of environmental and social effects of projects (58 % of respondents),
- Environmental Impact Assessment (48 % of respondents),
- Integrated Management System (48 % of respondents).

From the 39 HFIC technical staff who took part in the training, 21 filled the questionnaires. The most frequent themes are:

- Project management, methods and tools, evaluation of environmental and social effects of projects (71 % of respondents),
- Environmental Impact Assessment (67 % of respondents),
- Relation between loan provider and loan receiver (57 % of respondents),
- Application of the World Bank guidance on Environmental, Health, and Safety and WB Performance Standards on Social and Environmental Sustainability (57 % of respondents)

From the 31 representatives of hospitals and other health care organizations who took part in the training, 29 filled the questionnaires. The most frequent themes are:

- Waste Management including waste treatment in hospitals, housing and industrial zones (69 % of respondents)
- Energy Management, Clean energy (52 % of respondents)
- Water Management including waste water treatment for hospitals, housing and industrial zones (52 % of respondents)
- Best Available Techniques, Integrated Pollution and Prevention Control (48 % of respondents)

From the 14 representatives of housing construction companies who took part in the training, 11 filled the questionnaires. The most frequent themes are:

- Relation between loan provider and loan receiver (73 % of respondents),
- Project management, methods and tools, evaluation of environmental and social effects of projects (64 % of respondents)
- Application of the World Bank guidance on Environmental, Health, and Safety and WB Performance Standards on Social and Environmental Sustainability (64 % of respondents)
- Energy Management, Clean energy (55 % of respondents)

In each group, several additional topics were proposed, but none of these prevail over the above listed priority themes. The summary of the questionnaires evaluation is listed in Annex 7.

For May 2011, only the workshop for housing construction companies is planned. The expected theme of the workshop is the Integration of environmental requirements into the design process – construction and rehabilitation, which will cover all the above listed priority topics. The concrete program will be set upon clarification of the planned field trip of construction companies.

2.5 Planning of the 1st ISO seminar

Activity 4.1: First seminar – Initial review - shall take place in May.

3 case studies introducing ISO 14001 shall be developed in the frame of this project.

It is expected, that company Viet-Nhat and two divisions of CITENCO Company will take part in this activity. This activity is also open for any other interested persons or parties. Nevertheless, an attention will be paid to above mentioned crucial participants.

For the development of the ISO 14001 case studies, the “training by doing” approach will be used.

Training themes for the 1st ISO seminar:

- Introduction to management systems (Environmental Management System ISO 14001, Quality Management System ISO 9001, Occupational Safety and Health Management System OHSAS 18001)
- Overview of methodology ISO 14001 implementation
- Initial review
- Environmental aspects and impacts
- Legal requirements
- Evaluation of compliance
- Environmental planning
- Environmental policy

3 Annexes

1. Realized training program in March
2. List of participants of the trainings
3. Record from meeting: Note about due payments
4. Record from meeting concerning the project continuation
5. Questionnaire EN language
6. Questionnaire VN language
7. Evaluation of the questionnaires
8. Requirements for the data for the construction company which will host the field trip
9. Set of training materials – handbooks and presentation slides (on CD)