Impact Assessment of Poverty Reduction Programs of Ho Chi Minh City in Vietnam

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23 June 2013

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Abstract

The main purpose of this report is to measure the impact of poverty reduction programs and policies of Ho Chi Minh City – the biggest city in Vietnam - in the period 2009-2013 using both quantitative and quality methods. In general, poverty reduction programs have positive impacts on living conditions of poor households. Having access to these programs enables poor/near-poor households to increase income and have better access to decent jobs. In addition, tuition-fee reduction and exemption and health insurance programs help households reduce education and medical expenses. However, there are a number of problems such as limited support fund and poor awareness of the poor/near-poor about the vocational training, unreasonable support mechanism and inconsistency in line departments' coordination.

Keywords: Poverty reduction programs, impact evaluation, household surveys, Vietnam.

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CHAPTER 1: INTRODUCTION

1.1. Research background

Vietnam has garnered remarkable success in poverty reduction over the last two decades. Poverty rate declined from 58.1 percent in 1993 to 9.6 percent in 2012[2]. This means that about 32 million people have been lifted out of poverty in the last 20 years. However, economic development has also brought about many changes in the society. The nature of poverty has changed and become more complicated. The poverty rate dropped in both urban and rural areas, however the poverty reduction rate in the rural areas decreased at a much faster face (66.4 percent in 1993 to only 17.4 percent in 2010) as compared with urban areas (25.0 percent in 1993 to 6.9 percent in 2010)[3]. Urban poverty has become a new emerging issue in Vietnam poverty picture. In order to properly approach poverty and find adequate and timely solutions, it is necessary to obtain a more comprehensive picture of poverty rather than poverty rate measured only by income or expenditure.

Multi-dimensional poverty index (MPI) is developed by Oxford University, England. UNDP first applied Multidimensional Poverty Index in Vietnam Human Development Report 2010. The index fully reflects all socio-economic aspects of poverty including education, health, property and access to services. Approaching poverty under multidimensional perspective helps policy makers accurately identify the program beneficiaries and their vulnerability aspects to offer adequate supporting programs.

Ho Chi Minh City has obtained great achievements in poverty reduction as the result of considerable effort devoted for poverty reduction in the last two decades. In 2013, Ho Chi Minh City has almost no poor households as measured by national poverty line for 2011-2015 period. This reflects that support policies at national level in general and Ho Chi Minh in particular are relatively efficient in the last few years. However, Ho Chi Minh poverty rate will definitely be higher than income-based poverty rate if non-income indicators of poverty are taken into account. Facing high urbanization and increasing migration, poverty reduction support policies that are compatible with the socio-economic characteristics of vulnerable groups play an important role in poverty reduction achievements.

Within the framework of "Support to multi-dimensional poverty reduction in Ho Chi Minh" Project, this research aims to provide a more comprehensive Ho Chi Minh poverty picture. The impact assessment of the city's poverty reduction policies and programs will establish a solid foundation to revise poverty reduction strategies and policies, moving toward sustainable poverty reduction in the coming years.

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[2] Report on the implementation of policies and national target program on poverty reduction in 2011-2012 – Ministry of Labor, Invalids and Social Affairs

[3] General Statistic Office (GSO)

1.2. Literature review of urban poverty

Vietnam has successfully become a low-middle income country in 2010, from the starting point as one of the poorest countries in the world within only two decades. However, economic recession and slow growth rate have great impact on poverty reduction rate. Poverty reduction rate has considerably decreased in recent years (WB, 2012; VASS, 211). Meanwhile, urban poverty has emerged as a major issue to socio-economic development in Vietnam when urbanization and migration from the countryside to urban areas have been increasing. According to GSO, urban population in 2011 is 27.9 million people, accounting for 31.7 percent of the national population. Urban poverty rate remains at low level if only income or expenditure criteria have been taken into account. According to poor and near-poor household results surveyed by MOLISA in 2012, poverty rate is 3.6 percent and 0.32 percent respectively in Hanoi and Ho Chi Minh. However, urban poverty situation is more serious under multi-dimensional perspective (Oxfam UK and Action Aid, 2012).

There are many poverty-related researches in Vietnam and most of them focus on poverty in rural and mountainous areas. However, urban poverty-related study is quite limited. This is because household surveys which are used for poverty analysis often have small sample sizes, which does not allow to do any reliable study on urban poverty in Vietnam Urban Poverty Survey 2009 (UPS-2009) was conducted by Hanoi and Ho Chi Minh Statistics at the end of 2009 to solve this data problem that hinders a comprehensive assessment of urban poverty.

UPS-2009 surveyed 3349 households in Hanoi and Ho Chi Minh city. It also includes seasonal migrants and un-registered short-term and long-term migrants in these two cities. This survey is currently the only comprehensive source providing information about the living status of the migrants in Hanoi and Ho Chi Minh. Multi-dimensional indicators are integrated in this survey including 8 poverty dimensions: income, education, health care, access to social security services, dwellings quality and living area, housing services and their participation in social organizations and activities to provide a more accurate and comprehensive urban poverty picture. Even though Ho Chi Minh poverty rate is lower than that of Hanoi, surveyed result shows that Ho Chi Minh has a higher poverty rates for all social poverty dimensions. The most widespread deprivations are access to social security, access to proper housing services and access to dwellings with proper quality and area. It is also found that income is not an important contributor to multi-dimensional poverty in Ho Chi Minh. In fact, lack of education greatly contributes to Ho Chi Minh multi-dimensional poverty situation. Multi-dimensional poverty is especially high at the migrant household group.

Nguyen *et al.* (2012) mainly relies on UPS-2009 data, using binomial logistic regression model to determine main determinants of urban poverty. The poverty line applied in this research is Ho Chi Minh's poverty line for the period of 2010-2015 (12 million VND/person/year). The research not only depends on the traditional set of household characteristics such as household composition, physical assets, academic qualification and occupation but also includes household policy-related characteristics. These characteristics are registration book, health insurance card and whether they are migrants or local. Research findings show that academic qualification is an important determinant of poverty. The higher

is the academic qualification, the higher is the chance to escape poverty and vice versa. Health problem is also another important determinant of poverty. The effect of having health insurance card significantly lowers the probability of being poor because health insurance card helps reduce health financing burden to households. Household head's occupation also has significant effect on household poverty situation. Families having their household's head working in private sector are more vulnerable than working in public and FDI sectors. The research found an interesting finding that recent migrants to city often are poor while the permanent migrants (even though not having registration book) tend to be non-poor.

In addition to qualitative researches, participatory monitoring of urban poverty at three big cities namely Hanoi, Ho Chi Minh city and Hai Phong conducted by Oxfam UK and Action Aid since 2008 have provided insightful information about urban poverty. The study uses repeated annual survey methodology. The participatory monitoring of urban Poverty report 2012 has synthesized poverty monitoring results in the five-year period. According to this report, even though the poor's living conditions have been improved for the last five years but at a relatively slow speed. Poverty rate is still high from multi-dimensional perspective. Qualitative findings show that the urban poor suffers from a lack of human resources, lack of capacity to find alternative livelihoods, lack of social capital, limited access to public services, uncomfortable and unsafe living. In addition to these deprivations, migrants are disadvantaged due to high cost of living in big city.

Even though some researches and reports mentioned above have approached poverty from the multi-dimensional perspective, there has not yet been any research conducted to evaluate impact of a program through multi-dimensional poverty approach. Some researches provide overall impact assessment of poverty reduction program based on income poverty indicators. The others only focus on evaluate the impact of some specific poverty reduction policy groups. Bui *et al.* (2013) assess the impact of education support policy on net enrolment ratio of children; Wagstaff (2009) reviews impact of health insurance to the poor living conditions; Swain *et al.* (2008) evaluate the effect of micro-finance program on poverty reduction in Mekong River Delta etc. This report will provide an impact assessment of Ho Chi Minh Poverty Reduction and Increase of Better-off Households Program from the perspective of multi-dimensional approach. In particular, the impact analysis of five poverty reduction support policy groups will be conducted through the combination of qualitative research and quantitative research method. A survey of 1002 poor/near-poor households, in-depth interviews with line departments and group discussions with different poor/near-poor household groups provide comprehensive set of information which supplement each other and provide insightful analysis on the Poverty Reduction Program impact from the multi-dimensional perspective.

1.3. Research purposes

In preparation for Poverty Reduction and Increase Better-off Household Program Phase 4, Ho Chi Minh City is reviewing its achievements and limitations in Phase 3 period to better improve its implementation plan and policy support mechanism for the coming period. The main purpose of this report is to assess the impact of five policy groups on poverty reduction results including. These five policy groups include (i) Housing support; (ii) Education; (iii)

Healthcare; (iv) Credit and (v) Vocational training and job creation. The report will focus on 4 aspects of each policy group including:

- Access to poverty support policies/programs of poor households, especially migrants and laborers in informal sector.
- Impact of support policies/programs on poor/near poor households.
- Challenges in implementing support policies/programs to poor/near poor households.
- Suggestions to enhance the impact of support policies/programs.

The report is developed incorporating findings from both quantitative and qualitative perspective to assess the impact of the Poverty Reduction Program on beneficial households and to evaluate the efficiency of the Program implementation process from policy beneficiaries' identification to support provision.

1.4. Report structure

The report consists of five chapters. This chapter refers to general issues in evaluating urban poverty and the need for the impact evaluation of Ho Chi Minh Poverty Reduction and Increase better-off Households Program. Chapter 2 provides detailed information on the methodology used in this report. Chapter 3 provides an overview of Poverty Reduction and Increase Better-off Household Program including the program's overall evaluation, five main support policy groups and their implementation results. Chapter 4 presents findings in regard of five policy groups' impact on poverty reduction. The chapter provides insights on the poor/ near poor households' ability to access support policies, policies' impact and some limitations in the policy implementation's process. Chapter 5 summarizes impact assessment results of the Poverty Reduction Program and policy implications for policy makers to improve the Program's support mechanism and efficiency in the coming periods.

CHAPTER 2: IMPACT EVALUATION METHODOLOGY

2.1. Qualitative research methodology

2.1.1. Qualitative survey design

Qualitative study was designed based on policy analysis conducted by line departments about Ho Chi Minh Poverty Reduction and Increasing Better-off Households Program Phase III on the foundation of socio-economic situation analysis. Two methods were employed to conduct qualitative study including *in-depth interview* and *focused group discussion*. In-depth interviews were conducted with policy makers in line departments participating in the city's Poverty Reduction Program. Focused group discussions were held with policy beneficiary households and migrant groups living and working in Ho Chi Minh. The analysis of policy implementation results, limitations and difficulties was based on the consultation with line Departments' directors and reports on the policy implementation process provided by them. The evaluation of the policies' impact and applicability was carried out through focused group discussions with direct beneficiary household groups to provide an overall, comprehensive and unbiased picture of the effectiveness and impact of poverty reduction program. Qualitative research design will provide background findings on the design and implementation of poverty reduction programs and policies to supplement results from quantitative research.

2.1.2. Qualitative questionnaire design

Using multi-dimensional analysis method, the qualitative research is focused on 5 policy groups: education support, vocational training and job finding support, health care support, housing and credit support. In each policy group, the qualitative research focused on 4 issues: (i) Access of poor/near poor households, (ii) Policy implementation results, (iii) policy impact, (iv) limitations of the policy implementation process and necessary policy improvements so that set objectives will be accomplished in the future.

In-depth interview concentrates on the following issues:

- Assigned roles and responsibility of each line department in the poverty reduction process
- Important poverty reduction programs and policies implemented from 2009 to present and in the coming years
- Implementation progress and difficulties arising from the program and policy implementation process
- Achievements and efficiency of poverty reduction policies, including policies on education, health, vocational training, job creation, health care, housing and credit supports.
- Recommendations on the improvements and changes to improve current poverty reduction policies' effectiveness.

Detailed contents of focused group discussions included:

- Participants' socio-economic characteristics (income, academic qualification, place of birth, ethnic group, gender, type of job, resident registration)
- Major factors related to individual/household vulnerabilities such as illnesses, damages due by natural disasters, accidents or inflation
- Access to health care, education, legal support, credit program
- Access to social security programs such as health insurance, social insurance
- Access to housing support policy
- Access to vocational training policy
- Difficulties in the access and its reasons
- Recommendations of individuals/households (if any)

2.1.3. Qualitative research objects

In-depth interview. The respondents included officials who undertook and coordinated activities of Ho Chi Minh poverty reduction program at three levels: city, district and ward/commune, including the following units:

- Members of Poverty Reduction Steering Committee
- Member of District Poverty Reduction Committee[4] in 3 districts
- Member of Ward/Commune Poverty Reduction Committee in 3 wards/communes
- Department of Finance[5]
- Department of Planning and Investment
- Department of Labor, Invalids and Social Affairs (Vocational training Division, Labor salary Division)
- Department of Health
- Ho Chi Minh City Social Insurance Agency
- Department of Education and Training
- Department of Agriculture and Rural Development
- Department of Construction
- Ho Chi Minh City Women Union
- Ho Chi Minh City Branch of Vietnam Bank for Social Policies
- Career center[6] of Youth Union
- Vocational school[7] (2 vocational schools)
- Fatherland Front Committee[8]
- CEP Fund (under the management of Confederation of Labor)
- Ho Chi Minh Association for Promoting Education

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[4] Ho Chi Minh City has 24 districts.
[5] Department of Finance was considered the object of in-depth interview, however, due to objective conditions, the consultation group did not conduct an in-depth interview with the department director.
[6] One of the eight centers in the city was interviewed.
[7] Two issues were consulted: vocational training and job finding policies.
[8] As planned, the research team will conduct an in-depth interview with Fatherland Front Committee's representative, however due to a number of objective reasons, we can not conduct interviews with Fatherland Front Committees

- 1 hospital
- 1 secondary school

Focused group discussion. Group discussions were held with beneficiary households. The selection of participating households having different socio-economic characteristics helps ensure information collected to be diversified and comparable. Group discussions were held with advantageous and disadvantageous household groups living in 3 different areas: urban area, suburb area (migrant groups) and rural area. Specifically, focused group discussion's objects included poor and near poor households, immigrant households from rural area or other provinces, labor groups having low salary, seasonal jobs. Each discussion group was comprised of 12 members representing different household groups.

2.2. Quantitative research methodology

2.2.1. Quantitative research design

2.2.1.1. Survey sampling

2.2.1.1.1. Respondent selection

This section provides information related to the sampling method used in the survey to collect quantitative information. One of the most important requirements of survey sample design for policies/programs/projects 'impact evaluation is to find the control group, (the one does not benefit from the policies) that has similar characteristics with the treatment group. As Ho Chi Minh Poverty Reduction Program only concentrates on disadvantaged groups (poor households or children of poor households), it is challenging to select non-poor households sharing similar characteristics with poor households. Therefore, in this research, control group included households whose income is close to the poverty line (right on the poverty line) and the treatment group was composed of poor households whose income is close to the poverty threshold. This selection method ensures a relatively high similarity between the treatment group and control group. Moreover, households in the control group live in the same area with the poor households. The selection of households in the same area guaranteed that there would be no difference in the socio-economic characteristics of wards/communes between the control group and the treatment group. Together with this sampling method, fuzzy regression discontinuity method mentioned in the section 2.2.3 allows to measure the impact of policies at lowest errors.

2.2.1.1.2. Determining sample size

The formula to determine the sample size is as follow:

$$n = \frac{t^2 p (1 - p)}{m^2} D$$

In which:

n: the necessary sample size for the control group or treatment group

t: statistical value with confidence level of 95 percent (standard value is 1.96)

p: the ratio of concerned indicators. In this report, these indicators are: poverty rate (8.4 percent in 2009), net enrollment rate in secondary education (74.1 percent in 2009); the proportion of untrained labor (70 percent in 2009); the proportion of households having the average area per head below 7m^2/person (30.7 percent in 2009); the proportion of people having health insurance card (66 percent in 2009); the increase rate of household income

m: error value which can be tested based on the sample size of each indicator

D: the impact of sample design (often equal to 2 in case of stratified sampling)

To optimize sampling design in case of a limited budget, the sample size of the control group was determined to be 250 non-poor households with income close to the poverty standard (1 million VND/person/month). The sample size of the treatment group was 750 households with the assumption that each policy group had reached about 250 households in the period from 2009 to the start of survey. Based on the sampling size formula mentioned above, statistical test error (minimum change can be measured as the result of each policy's impact) can be calculated as follow:

$$m = \sqrt{\frac{t^2 p(1-p)}{n}} D$$

Households could be supported from more than one policy; therefore, treatment group for each policy group can contain some overlapping households with the other policy groups. The proposed sample size is about 750 households for the beneficiary group and 250 households for the control group. The total sample size is 1,000 households.

2.2.1.1.3. Sampling frame used for sample selection

Data used to select sample was the survey results on Ho Chi Minh poor households in 2009. This database has sufficient information related poor and near poor households including first name and last name of the householder, address, monthly average income per head, the number of inhabitants in the house. Based on this database, the sample was determined to include households of the beneficiary groups (poor households) and the control group (non-poor households) with the average income per capita close to the poverty line.

2.2.1.1.4. Sampling method

Sample distribution

Based on previous surveys' calculations, optimized sample size for each survey area is within 15 to 20 households because the similarity among households in the same area is higher than that of households living in different areas. Based on results from household surveys (see detailed report of Hans Petterson on sample design for Household Living Standards Survey), the research selected 50 survey areas (wards) in 10 districts of the total 24 districts in the city. In each chosen area, the research randomly selects 20 households of the beneficiary groups, of which there are 15 households in the official list and 5 households in the reservation lists,

and 7 households of the control group, of which there are 5 households in the official list and 2 households in the reservation list. By selecting the beneficiary group and the control group in the same area, the research help minimize the impact of other policies/projects/programs when measuring five policy groups' impact and improve the statistical accuracy of estimation.

Sampling distribution by districts

To ensure the representative of each area, all districts are divided into 4 groups. The rich districts (Group 1) includes district 1, 3, 4, 5, 6, 10, 11. The middle income districts (Group 2) includes district 8, Tan Binh district, Go Vap district, and Binh Thanh district. The poor district (Group 3) includes district 7, 9, 12, Thu Duc district, Tan Phu district and Binh Tan district. The rural area (Group 4) includes Cu Chi district, Hoc Mon district, Binh Chanh district, Nha Be district and Can Gio district.

The distribution of chosen districts is based on the number of total poor households in 2009. Therefore, the number of chosen districts was determined by the following formula:

$$n_i = \frac{m_i}{M} 10$$

In which:

n_i: the number of districts allocated to the sample of group i

m_i: the total number of poor households in districts of group i

M: the total number of poor households in the city in 2009

This sampling method allows self-calculating weight as the probability of being allocated to the sample was proportional to the total number of poor households in each district group. The number of district allocated to the sample of each group was as follow: Group 1: 2 districts; Group 2: 2 districts; Group 3: 3 districts; Group 4: 3 districts.

Distribution of each group into the sample

After determining the number of districts allocating to each group, the next step is to allocate districts of each group to the survey sample. The method of selecting districts for each group is Probability Proportional to Size (PPS). The size is the total number of poor households in each district. The result shows the following districts chosen for sample including:

District name	The total number of poor households
District 6	4448
District 4	4040
District 8	7553
District Tan Binh	3410
District 9	7720
District Thu Duc	7302

District Binh Tan	6287
District Hoc Mon	13386
District Cu Chi	26943
District Nha Be	4153

The selection of survey area

In each chosen district, 10 survey areas (wards) are chosen. The Probability Proportional to Size (PPS) method is employed. The area with a higher number of poor households has the higher probability to be chosen into the sample. For a detail list of selected survey areas, please refer to Annex 1.

The selection of survey households

The selection of survey households is carried out in three steps. Firstly, to ensure that the treatment and control groups share similar socio-economic characteristics, the survey only choose poor and non-poor households having income which is nearest to the poverty line (around 1 million VND/person/month). Households met those criteria are put in list of households to select the beneficiary group and control group. Secondly, based on this list, 20 poor households and 7 non-poor households are chosen randomly for each area. Thirdly, the chosen list is divided into official list and backup list. 15 households out of 20 poor households are randomly selected to the official survey list and 5 households to the backup list. Similarly, for the non-poor households in the control group, 5 households are randomly selected to the official survey list and 2 households are put in the reservation list.

Recheck the sample's representative

The list of chosen households is sent to the poverty reduction officials in the wards/communes to review and update information on households moving out of the area after 5 years. If there is any household in the official survey list left the survey area, another household will be randomly selected from the sampling frame to maintain the initial sample size.

2.2.2. Quantitative questionnaire design

As there was no baseline survey, data collection before the effective date of the policy is very important. Therefore, the questionnaire will collect information of respondents before 2009 and at the time of interview. Such information helps improve the accuracy and reliability of impact assessment. The content of the questionnaire is constructed based on the initial results from qualitative research and consultation workshops with line departments participating in the policy implementation process. In addition to general information of households related to typical characteristics of households such as demographic characteristics, the characteristics of household's head, average income per capita, assets and living standards, the applicability of policies and households' need is also taken into consideration (see Annex 2 for the detailed questionnaire). Below is the main information that will be collected by the quantitative questionnaire (besides general information of the household)

Housing policy: Collect information on the housing conditions of the household, house type, house area, sanitary and clean water conditions, received support, households' assessment about the impact of support policies on their housing conditions, difficulties in access to policy, challenges they have to deal with in terms of living conditions.

Education support policy: Collect information on academic qualification of each household member. The collected information includes current education situation, support related to education, their assessment on the impact of this support, difficulties in the schooling process, the main reasons for not going to school (for people dropping out of school only), tuition fees and other contributions during the last 12 months.

Health care policy: Collect information on health insurance, access to health care services, quality assessment of health care services, support from health care policy to the beneficiaries, their assessment of the respondents on the usefulness as well as the impact of this policy to himself/herself in particular and the household in general, major difficulties in the process of accessing and using health care services.

Credit policy for poor households: Collect main information on household's loan, borrowing sources, loan amount, interest rate, the purpose of the loan, loan terms, access to credit from the support policy, understanding of the policy, their assessment of the procedures related to the access to credit from the policy and impact on the poor households.

Vocational training and job finding support policy: Interview respondents of working age about the employment situation, annual average working time, level of academic and professional qualification, average income, support received from the vocational training and job creation support policy, their assessments about the policy's impact on professional skills and the job seeking capability of the respondent, difficulties in job seeking, households' assessment of the support level received from career centers, information on employment, vocational training, support policies and other recommendations (if any).

2.2.3. Impact assessment methodology

The purpose of program impact evaluation is to measure the level of change in welfare of participants brought about by that program. It is always a great challenge to evaluate the impact of a program or a project. The objective of poverty reduction programs is to support poor households. Participants often have lower living standards than those do not participate in the program. To evaluate the impact of the program, it is necessary to eliminate impact of the program's external factors on participants. This can be done through the selection of non-participant group who have similar characteristics with the participants.

There have been many researches evaluating the impact of poverty reduction programs in Vietnam. If baseline data on the beneficiaries and non-participants are available, some methods are often applied including fixed effects regressions with panel data, difference-in-differences. For examples, Phung *et al.* (2013) evaluated the impact of P135-II program using the fixed-effects regressions. This method was also employed to evaluate the social security system in Van de Wall (2002), Van Den Berg and Nguyen (2011), rural

transportation roads in Van de Walle and Cratty (2002), Mu and Van de Walle (2007), and Nguyen (2011).

In the evaluation of the impact of poverty reduction program of Ho Chi Minh City, there was no complete original data. In 2009, Ho Chi Minh City collected data on the income and some characteristics of poor and non-poor households. However, the information in this survey is not sufficient. Because there was no baseline data, the current survey data was used comparing between the treatment and control to evaluate the impact of the program. The comparison between the beneficiary group and non-beneficiary group could be unbiased estimation. This method, however, could not deliver the most accurate estimates because the beneficiary group and the non-beneficiary group are different. Because the beneficiary group is poor households, the beneficiary group will definitely have lower income in comparison to the non-beneficiary group. To solve the difference between treatment and control groups, this report uses the regression discontinuity method to evaluate the impact of the poverty reduction program.

Regression discontinuity is a popular and highly reliable impact evaluation method. This method can be referred in a number of materials such as Van der Klaauw (2002), Imbens and Lemieux (2008). In regression discontinuity, the treatment group is chosen for the project based on a certain criterion. According to Van de Klaauw (2002), there is a conditional variable named Z and Z value which is higher than a threshold value $Z=c$ will participate in the program.

Households are classified into the poor category if their income is lower than the poverty line at the time of reviewing poor households in 2009 (according the poverty standard, the income of a poor household is below 1 million VND/capita/month) in the third phase of the Poverty Reduction Program. Poor households become beneficiaries of the poverty reduction support policies/programs. Households having income higher than the poverty line are classified as the non-poor households. Non-poor households are not supported by the poverty reduction program. Therefore, variable Z is the household income used to determine the poor household and c was the poverty line. Non-poor households with the income just above the poverty standard could be selected for the control group, and poor households with the income right below the poverty standard could be selected for the beneficiary group. In 2009, these two groups are slightly different in term of income and share the same characteristics. So, the research compares the welfare of households and individuals such as income and job of poor households with income in 2009 just right below the poverty standard and non-poor households with income in 2009 just above the poverty standard.

Based on the list of households and their income in 2009, households having income equal to or lower than 1 million VND/person per month are chosen for the survey sample. Figure 1 shows that the distribution of income in 2009 is relatively similar to the normal distribution and concentrates on the income of 1 million/person/month.

Figure 1: Distribution of household income in 2009
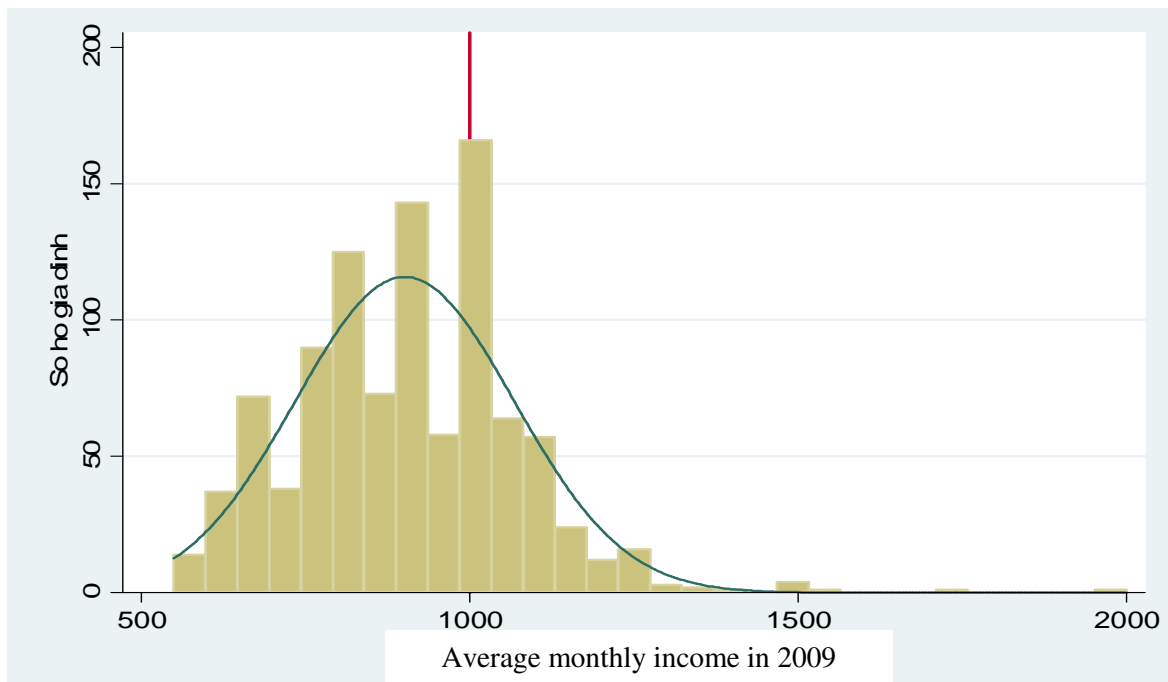
Specifically, to estimate the impact of a poverty reduction project, for example, the project of credit for poverty reduction, this research used the multivariate ordinary least squares regression (OLS). The regression model is as follow:

$$Y_i = \beta_0 + D_i\beta_1 + g(Z_i) + u_i, \qquad (1)$$

In which: Y_i is the welfare variable used measure the impact on household i (for example, the expense of the household). D_i is the variable indicating if a household participating in a specific poverty reduction program, for example, whether a household receives a loan from the program of credit for poverty reduction. Z_i is the income of the survey household which was classified as a poor household in 2009 (This is not the current income). So, the variable of income in 2009 will be controlled to compare the welfare of households receiving loans with that of households not receiving loans with similar income. Explanatory variables can be added to the model *(1)* to improve the efficiency of the model (Imbens and Lemieux, 2008). The control variables in this research include household demographic variables, dummy variables of communes/wards (in other words, this is the fixed effects regression by communes/wards). Control variables have to be endogenous and they are not affected by the program participation (Heckman *et al.*, 1999).

2.2.4. Multi-dimensional factors in impact assessment method

Although the income or expenditure is often considered one of the important criteria to analyze and measure poverty, it's necessary to consider other aspects of poor households to evaluate poverty comprehensively. In other words, poverty needs to be considered multi-dimensionally. Therefore, this research not only measure the assessment on the poor income but also on other aspects such as the access to public services such as education and health care, housing conditions such as house type, clean water and sanitary conditions, and decent job.

2.2.5. Organizing the implementation of quantitative impact assessment

2.2.5.1. Using tablet for survey

The survey is implemented using tablets. With high-tech design, the application of tablets in the survey process guarantees data quality and minimized non-sampling errors. Tablets in combination with Global Positioning System (GPS) and Internet connection ensures the highest accuracy in data collection in shortest time with a strict quality monitoring process including three procedures:

First, the use of tablets allows data to be directly entered into the tablets during the interview process. With the 3G feature, collected data will be sent directly to the servers and checked promptly. This process helps eliminate data input errors and improve the effectiveness of data cleaning in the data collection process on the field. Data cleaning will be implemented simultaneously with surveying. Moreover, supervisors provide comments to interviewers in order to process data promptly. This feature helps minimize non-sampling errors.

Second, data input software is programmed to allow logic check in order to minimize non-sampling errors and shorten data cleaning time. For example, data input software only allows interviewers to enter month from 1 to 12 or -1 in case of unavailable information. This logic check also helps run question skips in the appropriate process.

Third, thanks to GPS integration, tablets can record the co-ordinate of interviewing place as well as the start and end time of the interview. Supervisors can check the co-ordinates of the interview in the host map. This technology provides real-time information on the interview quality.

2.2.5.2. Recruiting enumerators

The interviewers' quality significantly affects data quality. Therefore, supervisor and interviewer selection plays a very important role. Mekong Development and Research Institute (MDRI) have a wide network of collaborators across the country. The collaborator team of MDRI has years of experience in field work and conducting survey in different areas nationwide. Interviewers were selected and checked carefully from the network of collaborators. After that, intensive training will be provided before carrying out the interview. Interviewers were divided into 5 teams. Each team had 4 interviewers, in which there was 1

team leaders. Supervisors also participated in the survey process to assure data quality and support the team in solving difficulties arising from the field work.

2.2.6. Quantitative research quality monitoring

2.2.6.1. Determining survey areas and households

The accuracy of the sample list is guaranteed by assigning interview teams to work with local authorities (hamlet chiefs/heads of the neighborhood) when they arrived at the survey areas. The team leaders contacted the official in charge in communes/wards to discuss the interview plan at least one day before the date of interview. When arriving at the survey area, officials of the communes/wards helps check the official list of 20 survey households. If there is any change in terms of residence, the interview team uses the reservation list of 7 other households to substitute the unavailable households. Besides, tablets show the precise positions of interview teams, which allowed supervising all survey teams across a wide area.

2.2.6.2. Data quality assurance process

The supervision is exercised throughout the data collection process. In addition to the participation in the interview of the interviewers to assess the work attitude and the quality of the interview, supervisors of MDRI also implement random checks of interviewed households to ensure that all interviewers followed the interview procedures and recorded information correctly. Supervisors execute their tasks at the same time with the interview teams from the start to the finish of the field survey. Moreover, to assure that all interviewers grasped thoroughly their tasks, a hotline is established to respond to all questions of interviewers if any.

Tablets and ODK software allows checking the total implementation time of each interview, location, logic errors and outliers. This feature could be used to control data quality. Technicians cleaning the data could use data checking programs. Technicians required interviewers to recheck unsuitable data with the respondents immediately in the same day.

2.2.6.3. Strategy of response if selected household refuse to answer questionnaire

To minimize the cases of sample substitutions, interview teams notified officials in communes/wards in advance of the interview time and require them to notify households of the purposes and content of the survey as well as the time interviewers worked with them. During the training process, interviewers are also provided with guidance on the skills in persuading respondents to collaborate in the interview. However, if the respondent refuses to participate in the interview, that households are replaced by another household. As mentioned above, in addition to 20 households in the official survey list, the reservation list include 7 other households. Therefore, households refusing participation could be replaced by another household in the reservation list.

Figure 2: Communes selected for quantitative survey

Surveyed areas
Non-surveyed areas
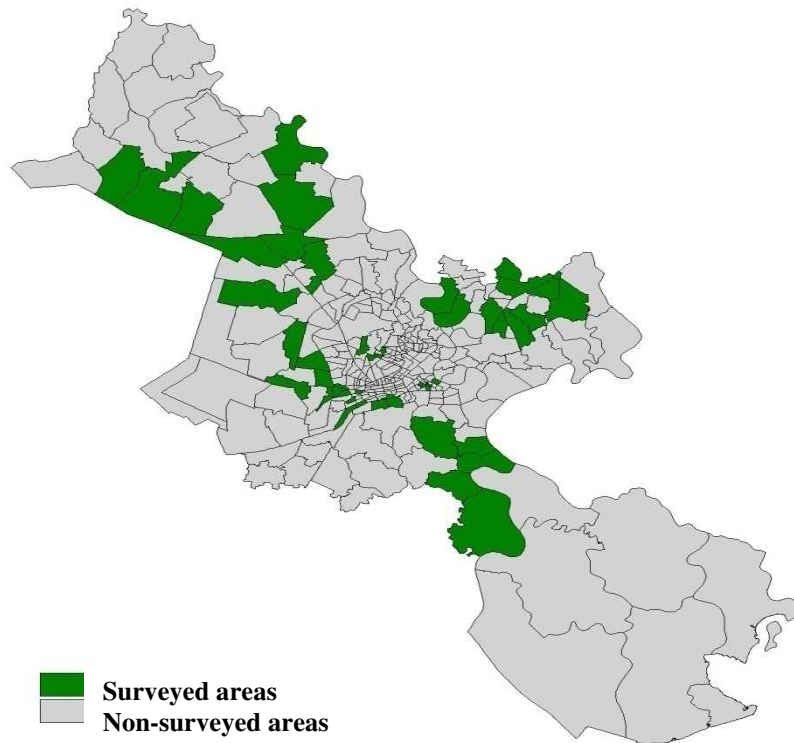
2.3. Limitations and difficulties during research implementation process

Main difficulties in qualitative research

In the research process, some limitations cannot be removed completely, particularly the limitations in the collection and access to reports summarizing the implementation of some policies of Poverty Reduction Program of the city. In-depth interviews with some respondents Department of Finance and the National Front are unable to conduct due to some objective reasons. However, missing information from these respondents was not much and most of the missing information was supplemented by information from the Poverty Reduction Committee of the city. Therefore, these limitations have not had significant impact on the evaluation results.

Limitations in quantitative research

As the survey sample is drawn from the list of households in 2009, many households had moved their places of residence at the start of the survey. In many cases, officials in communes/wards do not have full information on the inhabitants or promptly notify the households of the survey time. Therefore, interviewers still had difficulties in access to households and substituting households in case of moving to another area. However, this is the problem the consultation team had foreseen and a reservation list had been prepared. Therefore, interview teams still met the timeline of the survey work plan and assured the data quality.

CHAPTER 3: THE OVERVIEW OF HO CHI MINH POVERTY REDUCTION PROGRAM

3.1.1. Ho Chi Minh Poverty Reduction Program

3.1.2. Socio-economic background in Ho Chi Minh

Even though the urbanization in Ho Chi Minh City started since the end of 17th century under Nguyen Dynasty, the economy was considerably boosted when Vietnam shifted to market economy at the beginning of 1990s. Ho Chi Minh City is currently one in two most developed economic, financial and cultural centers in Vietnam. Its gross domestic production (GDP) in 2012 was 592,000 billion VND, contributed up to 20.7 percent of total national GDP. The city's budget revenue in 2012 reached 71,589.3 billion VND, increased by 12.6 percent as compared to 2011, contributed more than 30 percent of total national budget revenue. Income per capita has been improved significantly. In 2002, its income per capita was 10.8 million VND, which increased to 72 million VND/person/year, equivalent to 3,600 USD in 2012.

Urbanization has brought about a significant socio-economic development in Ho Chi Minh City. However, global economic recession and economic slowdown in Vietnam in recent years have had negative impact on the city development and placed great pressure on its social security programs. In 2012, Ho Chi Minh City economy still grows but at a much slower pace as compared to previous periods. According to GSO, the number of firms suspended their businesses or went bankruptcy in the first 11 months of 2012 was 21,746 enterprises, equivalent to 96.2 percent of new registered enterprises having tax code granted. In 2012, total newly created job was 123 thousand employees, decreased by 4 percent as compared to 2011. Unemployment rate was 4.9 percent in 2012. Within 03/01/2012 and 07/12/2012, there were 112.9 thousand employees received unemployment allowance, increased by 29 percent over the same period from the previous year, with total support budget of 857.5 billion VND.

Figure 3: Ho Chi Minh City population within the period of 1996-2012
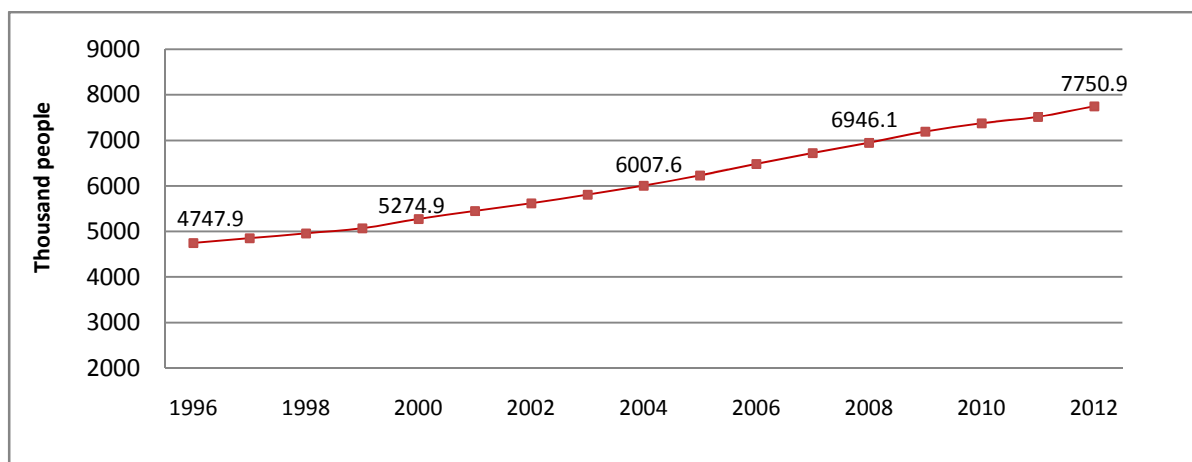
Source: GSO (2013)

The increasing wave of migration also put a lot of pressure on the city infrastructure upgrade and poverty reduction. Figure 3 shows the population development of Ho Chi Minh within 1996-2012 periods. The city population was 4.7 million people in 1996 and increased by 63.2 percent at nearly 7.8 million people in 2012. Increasing migration also makes poverty situation in Ho Chi Minh become more complicated. Poverty rate based on Ho Chi Minh income poverty line[9] was only 1.2 percent in September 2013, equivalent to 21,001 poor households. However, income gap has become increasing larger, indicated by higher Gini ratio over the years. Gini ratio in 2012 was 0.386 while in 2002, this ratio only stood at 0.360[10]. Ho Chi Minh poor households still have encountered enormous difficulty in access the city's basic social security services.

3.1.3. Ho Chi Minh Poverty Reduction Program

Poverty line was developed based on criteria to meet human being basic needs. Such basic needs include food and non-food demands. When the economy is getting more and more developed, income proportion paid for food decreases and increased for non-food demands (Ravallion, 1992). Vietnam current poverty line is based on annual average income per capita. According to Decision No. 09/2011/QD-TTg dated 30/01/2011, Vietnam poverty line for the period of 2011-2015 is 4.8 million VND/person/year in rural areas and 6 million VND/person/year in urban areas.

Ho Chi Minh City is the most developed economic area in Vietnam. Living expenses and its citizen's demand for improved living standard also increase at a much quicker pace than other areas. Therefore, Ho Chi Minh City poverty line is always at a higher level than the national standard. The city poverty line is adjusted on a frequent basis to be suitable with Ho Chi Minh socio-economic development. Up to now, Ho Chi Minh has already raised its poverty line six times. In the third phase of Poverty Reduction Program, the poverty line was increased to 12 million/person/year. Even though this is lower than World Bank poverty line, which is 2 USD/person/day but it is already two times higher than national poverty line.

Box 1: Ho Chi Minh poverty line from 1992 till now

February 1992: 500 thousand VND/person/year

October 1992: 1 million VND/person/year for urban areas and 700 thousand VND/person/year for rural areas

In 1995: 1.5 million VND/person/year for urban areas and 1 million VND/person/year for rural areas

In 1997: 3 million VND/person/year for urban areas and 2,5 million VND/person/year for rural areas

In 2004: 6 million VND/person/year applied for both urban and rural areas

In 2009: 12 million VND/person/year applied for both urban and rural areas

Source:Le (2006) Scientific basis and practice to determine poverty line in Ho Chi Minh

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[9]Ho Chi Minh Poverty line in 2009-2015 period is 12 million VND/person/year
[10] Author's calculation based on VHLSS 2002 and 2012.

Ho Chi Minh Poverty Reduction Program was rolled out in 1992 and it has garnered remarkable successes in raising income and living standard for the poor. According to the result of poor survey 2012 conducted by MOLISA, Ho Chi Minh poverty rate was 0.00033 percent[11] using national poverty line (6 million VND/person/year for urban areas). Figure 4 below shows the poverty reduction progress of Ho Chi Minh City in three phases of Ho Chi Minh poverty reduction program. Even though the poverty line was adjusted for many times and normally the adjusted poverty line is two time higher than the previous one, the poverty rate still experiences strong decline over the years, especially in Phase 2 and Phase 3 (from 2004 till now). Poverty rate (according to Phase 2's poverty line is 6 million VND/person/year) declined from 7.5 percent to 1.0 percent in 2008. Coming to Phase 3, the poverty line was adjusted to 12 million VND/person/year; the adjusted poverty rate was 8.4 percent in 2009 and then quickly decreased to 1.2 percent at the end of September, 2013, completing its target for Phase 3 two years earlier than planned.

Figure 4: Poverty reduction progress in Ho Chi Minh within the period of 1992-2013
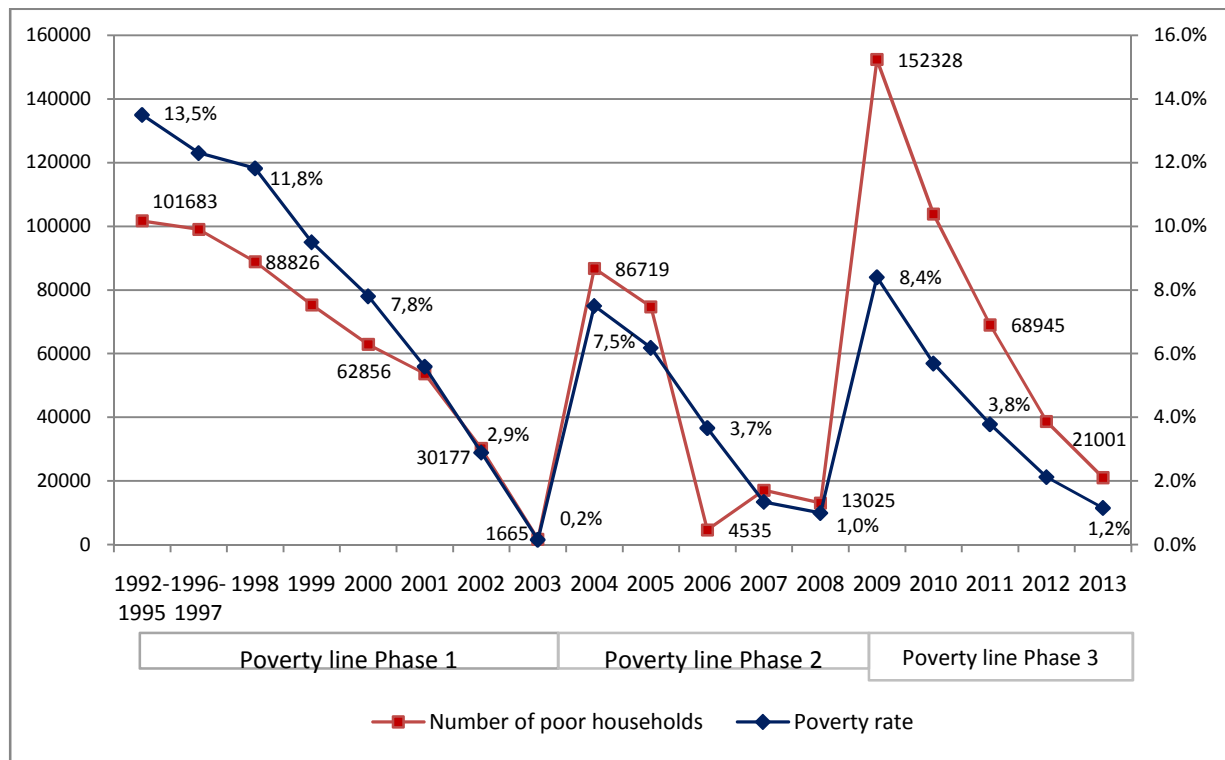
Phase 1 poverty line using is 2.5 million VND/person/year for the rural areas and 3 million VND for urban areas (1992-2004), Phase 2's poverty line (2004-2008) is 6 million VND/person/year, Phase 3's poverty line (2009-2015) is 12 million VND/person/year.
Source: Report on the Implementation of Poverty Reduction Program in the period of 1992-2008, and annual reports within the period of 2009-2012

Table 1 provides a more detailed poverty situation in Ho Chi Minh from 2009 to 2012. Particularly, the number of poor households in 2012 decreased to only one fifth of total poor households in 2009. Even though the number of household which are out of poverty

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[11] Decision No. 749/QD-LDTBXH dated 13/05/2013 approving survey results about the poor and near-poor households in 2012

decreased over the years, the proportion of household escaped from poverty over the total poor households tends to increase, from 32 percent in 2010 to 33 percent in 2011 and 44 percent in 2012.

Table 1. **Poverty situation in Ho Chi Minh city in the period of 2009-2012**

	2009	2010	2011	2012
Total poor households	152,328	103,791	69,139	38,661
Total out-of-poverty		48,537	34,652	30,478
Out of poverty rate (percent)		32 percent	33 percent	44 percent

Source: Report on the Implementation of Poverty Reduction Program in the period of 2009-2012

Poverty Reduction and Increase of Better-off Households Phase 3 have introduced many programs and policies supporting the poor to improve their living conditions. In addition to support policies/programs as stipulated by Government, Ho Chi Minh has formulated its own policies to support the city poor. Decision No. 36/2012/QD-UBND dated 16/08/2012 promulgated policy to support 15 percent of medical expenses for Health care Fund for the Poor. Detailed support policies/programs implementation will be presented in Section 3.2.

With remarkable progress in hunger eradication and poverty reduction in the last two phases, Poverty Reduction Program Phase 3 set additional targets, fastening poverty reduction progress while increasing better-off households. To complete this mission, the Poverty Reduction Program has expanded its coverage to support near-poor households. Pursuant to Resolution No. 80/NQ-CP dated 19/05/2011 stipulated about sustainable poverty reduction within 2011-2020 and Decision No. 09/2011/QD-TTg dated 30/01/2011 on poverty and near-poor lines for the period of 2011-2015 dated 16/08/2012, Ho Chi Minh city promulgated Decision No. 37/2012/QD-UBNDTP, setting norms on households in danger of falling into poverty for the 2012-2015 period. Households' norm in danger of falling into poverty is the household with each member earning an average income of between 12 million VND to 16 million VND per year, which is more than double the national norm regulated by the Government between 6 million to 7.8 million VND/person/year.

Decision No. 36/2012/QD-UBND dated 16/08/2012 stipulated support policies for the poor/near-poor within 2012-2015 periods. These policies/programs include additional support for the poor in education, health care, vocational training and some initial support policies for the near-poor. In particular, near-poor households will be supported 50 percent of health insurance card purchase expenses and can borrow from Hunger Eradication and Poverty Reduction fund for business investment purposes. However, support that near-poor households received is much lower as compared to the poor. Such a big difference between support for the poor and near-poor households makes it less motivated for the poor to escape from poverty, which consequently confines the progress to increase better-off households within the frame of Ho Chi Minh Poverty Reduction Program.

3.1.4. Difficulties in poverty reduction

Even though Ho Chi Minh poverty rate declined to 1.2 percent in September 2013, the poor living conditions are still difficult. High inflation within the 2009-2012 period (almost 40 percent as compared to 2009) and increasingly expensive living expenses making the income of 12 million VND/person/year in 2012 only equivalent to 7.2 million VND/person/year in

2009 price[12]. High inflation also brought about direct effect on the poor income. However, the real value of poverty line decreased; saving capacity getting lower, poor households almost have no risk coping ability. Therefore, poverty reduction efficiency has not yet been stable and sustainable. A part of households escaping from poverty is only nominal and many out-of-poverty households still face high falling-back-to-poverty risk.

Funding for the preferential credit under Ho Chi Minh poverty reduction program has not yet met support demand of the city poor/non-poor. Meanwhile, the level of cash balance in some funds (Hunger Eradication and Poverty Reduction Fund, Fund 156) is still high because some officials are not willing to provide loan for the poor/near-poor. Access to the city preferential credit funds is still limited because the poor are still afraid of borrowing and not much attention has been paid on providing the poor practical information related to borrowing procedure.

Support level for some social security policies for the poor/near-poor households is still low and the support has not been provided in a timely manner (due to delay in procedure); communication activities efficiency is still low leading to high number of households that have not been interested in these support policies. On the other hand, there are still many poor households having low motivation to escape from poverty and still over-dependent on government support, presenting much difficulties for Ho Chi Minh poverty reduction.

Reviewing and managing the migrant poor encountered many difficulties. It is required to have registration book or KT3 to obtain the poor household ID[13]. Likewise, households in KT4 group are not supported by the Program. Migrant poor households do not take the initiative to register with local authority as the result of complicated procedure. On the other hand, migration management faced difficulties because the migrant poor do not permanently stay in one place and do not actively notice local authority. Therefore, Ho Chi Minh Poverty Reduction Program currently has not yet supported the migrant poor.

Income based poverty approach has shown some drawbacks. Urban poverty has developed in a more complicated manner than rural poverty. According to Oxfam and Action Aid (2012), it is necessary to taken into account non-income indicators of poverty. In particular, the main features of urban multidimensional poverty of the local poor and migrant poor were categorized into five main deprivations as presented in Figure 5 below.

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[12] According to Mr. Nguyen Van Xe – Ho Chi Minh Director of Poverty Reduction Steering Committee

[13] Conditions to obtain KT3: To people renting a house: Renting a house having legal documents, guaranteed by landlord, resident register with local authority, have at least 12 months at a fixed address. For homeowners: to have the full papers, must be declared and must be in residence at least 12 months at a fixed address.

Figure 5: Main features of urban poverty

Source: Participatory monitoring urban poverty assessment, Oxfam and Action Aid (2012)

3.2. Implementation of support policy groups

Ho Chi Minh City has a quite comprehensive and highly coherent support policies system. The support policies were categorized into 5 main policies (i) housing support policy, (ii) education support policies, (iii) health insurance card purchase support, (iv) credit support policy and (v) vocational training and job creation policies. In which, credit support policies have the widest coverage and help improve living conditions through housing support, education and job creation channels.

3.2.1. Credit policies

3.2.1.1. Background of credit policies

Improving access to credit for production and health care as well as education is the pre-requisite for improving households' living standards, creating jobs and accumulating assets for sustainable poverty elimination. Ho Chi Minh City has made great efforts in designing and implementing multiple preferential credit policies for poor and near-poor households to facilitate their business and production activities, ensure stable income and gradually accumulate asset. There are 2 sources of credits: (i) Preferential credit and (ii) Microfinance.

Preferential credit includes programs operated by the Hunger Eradication and Poverty Reduction Fund (Fund 140), programs managed by the Vietnam Bank for Social Policies (VBSP) and programs aimed to encourage structural agriculture shift towards urban agriculture 2011-2015.

The Hunger Eradication and Poverty Reduction Fund is managed by the Department of Poverty Reduction and Employment. Beneficiaries are poor and near-poor households with credit demands for business production, housing upgrade, education or paying fees to working overseas services. Interest rate of the Fund is 0.5 percent/month. The maximum limit for each loan does not exceed 50 million VND. Households who wish to acquire loans contact the Team Leader of the Autonomous Poverty Reduction Team to complete the borrowing request procedure. After their request is agreed by the whole team, the Team Leader on behalf of the team submits the list of households' requests to Commune's Department of Poverty Reduction for their final approval.

VBSP's programs are wide-ranging and designed in a manner that can satisfy the needs of different beneficiaries, for instance education, employment and housing upgrade purposes, etc. VBSP collaborates with Autonomous Poverty Reduction Teams at different communes, the City's Department of Labor's, Invalids and Social Affairs (DOLISA) as well as the Women's Union to implement respective preferential credit programs. There are 6 major preferential credit programs currently introduced by the VBSP:

- *Preferential credit programs to poor households* (Program 316) targets poor households according to the City's poverty standards and aims to grant loans for the purposes of business, production, housing upgrade and education. Each loan can be up to 30 million VND with an interest rate of 0.65 percent/month and the duration of 12 to 60 months.
- *Preferential credit for employment* (Fund 71) targets households, business households and business units and aims to help address their demand in creating jobs.
- *Preferential credit for students* to cover part of the education costs of household members. The loan amount is 1 million VND per month.
- *Preferential credits for laborers* to work overseas grants loans for workers of poor households and households under privileged social groups to work overseas for definite terms pursuant to Decision 30a/NQ-CP dated 27/12/2008. The limit for each loan is set at 30 million VND per person.
- *Preferential credit program on clean water and rural sanitation* targets rural households who wish to acquire loans for building or upgrading their water supply or sanitary works. The limit for each loan is set at 4 million VND.
- Preferential credits for vocational training and job creation for people whose land is confiscated (Fund 156) targets households with confiscated land/houses to assist them in covering education/vocational training costs and finding jobs. DOLISA is also engaged in the management of the Fund.

Microfinance programs include *Farmer Support Fund, Fund for Women's Economic Development (CWED) and Aid Fund for the Employment of the Poor (CEP).* These funds mostly aim at employment creation purposes among which CEP is the largest under the management of the HCMC's Confederation of Labor targeting workers of poor households selected on 4 criteria set by CEP. Meanwhile, CWED is managed by the Women's Union targeted female members and businesswomen with lending demands for start-ups or expanding their existing businesses.

3.2.1.2. Results of credit policy implementation

Poverty Reduction Fund

In 2012, total loan outstanding of the Poverty Reduction Fund increased by 8 percent as compared to 2009 - 2010. The average loan value in 2012 was estimated to increase to 6.5 million VND but it is still noticeably lower than the maximum support of 50 million VND for each household under the Poverty Reduction Fund. Loans granted to business establishments have contributed to creating more jobs for workers of poor households. On average, each

lending business establishment recruited an additional number of 7.2, 9.5 and 10.3 workers in 2010, 2011 and 2012 respectively.

Table 2. Performance of Hunger Eradication and Poverty Reduction Fund during 2009-2012.

	2009-2010	2011	2012
Loan outstanding (million dong)	231,930	242,727	250,448
Cash balance		41,816	43,444
Number of loan receiving households	36,958	35,436	31,701
Average loan value (million dong)	5.0	5.7	6.5

Source: Report on Implementation of Poverty Reduction program in the period of 2009-2012

Capital sources of VBSP's preferential credit programs

Some results regarding VBSP's implementation of preferential credit programs are displayed in Table 3. Among 4 credit programs, Program 316 is the largest program concerning loan outstanding and the number of loan receiving households. During 2010-2012, the toil loan outstanding was kept at 800 billion VND. However, the number of approved requests shows a tendency to decline in recent years. The total loan outstanding has slightly increased since 2010, which is explained by a fact that VBSP has not received incremental state budget during the past 3 years and only used revolving funds or mobilized from other sources. In 2012, the number of approved requests was reported at only 58 percent that of 2009.

Table 3. Performance of 4 preferential credit programs managed by VBSP

		2010	2011	2012
Program 316	Loan outstanding (billion VND)	787,0	795,0	797,4
	Number of loan receiving households	58.387	53.157	55.786
	Approved requests	18.263	7.993	8.697
Student credit program	Loan outstanding (billion VND)	590	648	632,4
	Number of loan receiving households	49.452	42.816	48.868
	Approved requests	6.482	9.800	7.104
Credit program for people to work overseas	Loan outstanding (billion VND)	3,3	2,2	2,6
	Number of loan receiving households	159	90	111
	Approved requests	78	62	18
Credit program for water and rural sanitation	Loan outstanding (billion VND)	196.0	277.0	245.5
	Number of loan receiving households	28,333	37,148	33,140
	Approved requests	9,528	10,846	9,862

(Source: Annual Report of Poverty Reduction Program 2009-2012 and data provided by VBSP, Ho Chi Minh City branch)

Fund for Women's Economic Development (CWED) CWED's capital has been continuously on the rise since 2009 with an annual growth rate of more than 23.8 percent (Figure 6).

Figure 6: Annual capital growth of CWED 2009-2012
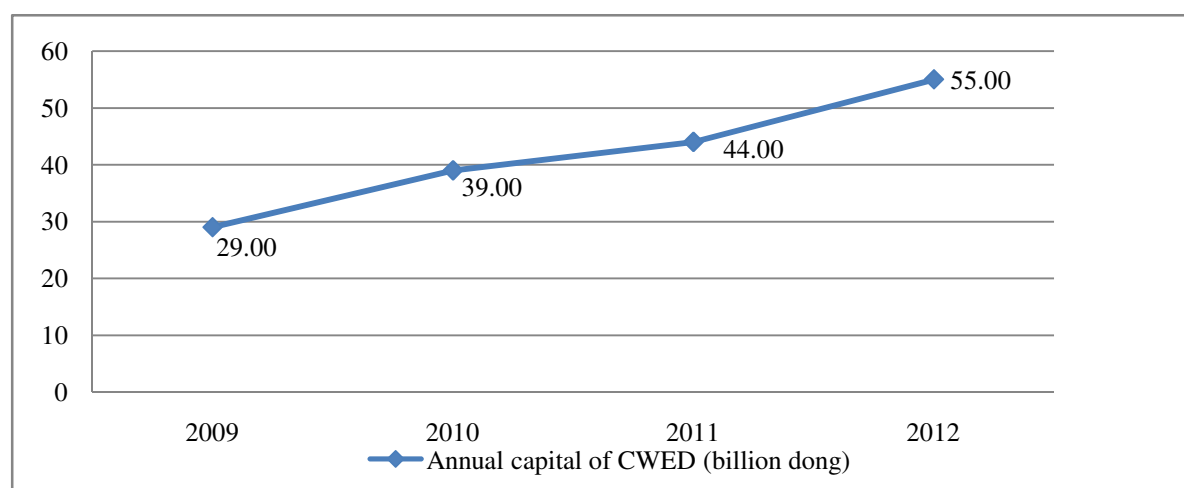
(Source: Data provided by Ms. Le Thi Thu Hien - Member of the Standing Committee – Director of Women Support Division, Women's Union of Ho Chi Minh City)

Similarly, the number of approved requests has constantly increased. There were approximately 12,000 approved loan request in 2012. Expanding small business or husbandry activities are among two most common purposes in loan requests accounting for around 80 percent[14].

Aid Fund for the Employment of the Poor (CEP)

CEP's loan outstanding by 12/2012 was estimated at 1,155 billion VND which was approximately 67 percent the total loan outstanding of VBSP in Ho Chi Minh City. The number of loans was 266,512 in 2012 approved on CEP's 4 criteria. Among CEP's 218,031 clients, there were 7,586 poor households and more than 6,000 near-poor households according to HCMC's poverty line[15]. CEP also offers saving products beside micro credit products to poor households.

Table 4. CEP's performance 2009 – 2012

Indicators	2009	2010	2011	2012
Number of employees	300	339	371	399
Number of branches	23	25	26	28
Number of loans	183,582	207,933	238,062	266,512
Saving balance (million VND)	173,052	260,735	376,355	520,848
Number of current borrowers	134,141	164,400	193,238	218,031
Loan outstanding (million VND)	522,511	723,231	938,945	1,155,664
Total asset (million VND)	550,553	793,636	972,064	1,236,375

Source: CEP's Annual report in 2012

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[14] Data provided by Ms. Le Thi Thu Hien - Member of the Standing Committee – Director of Women Support Division, Women's Union of Ho Chi Minh City

[15] Operational report in 2012

3.2.2. Vocational training and job creation policies

3.2.2.1. Background on vocational training and job creation policies

In an effort to improve the living standards and income of poor and near-poor households, Ho Chi Minh City has implemented several policies to support poor workers in building up sustainable livelihoods as well as in promoting their credit access to seek employment. The Department of Labor, Invalids and Social Affairs, VBSP in Ho Chi Minh City, some credit institutions, vocational training and job centers get involved in the implementation of employment-related policies.

Employment policies comprise two main categories: vocational training and domestic job creation policy and tuition fee exemption policy targeted learners at occupational training centers. The *vocational training and domestic job creation policy* targets short vocational training course (with duration less than 3 months) at state centers as well as provides support towards living expenses and transportation costs to workers. Beneficiaries of this policy are poor workers of working age (female: 15-55 years old; male: 15-60 years old).The support limit is 3 million/person. Meanwhile, the tuition fee exemption policy targeted learners at occupational training centers covers 100 percent tuition fee for poor learners from households having annual income of less than 10 million VND/person/year. Students from households having income between 10 to 12 million VND/ person can benefit from 50 percent tuition fee exemption.

Job creation policies include job creation policy and preferential credit policy for job creation such as the Job Creation Program (Fund 71), Vocational training and job creation for people with confiscated land (Fund 156) and Credit program for people to work overseas managed by the VBSP. The project of recruiting workers of poor and near-poor households supports business establishments in expanding their business and creating more jobs. The capital for the project is mobilized from 3 sources: Fund 140, Fund 71 and CWED.

3.2.2.2. Results of vocational training support and job creation policies

Results of employment policies are displayed in Table 5.

Table 5. Working overseas, vocational training and domestic job creation 2009 – 2012

	2010	2011	2012
The number of overseas workers	51	61	30
Number of workers benefit from vocational training tuition fee exemption	1,947	2,650	2,835
Number of workers attending class and enroll in vocational training under Fund 156	2,376	4,720	3,154
Number of workers having new domestic jobs	12,362	15,283	15,389

Source: Annual report of Poverty Reduction Program 2009-2012

It is clearly seen that the program that supports overseas workers can only create a small number of 30 jobs in 2012. The number of beneficiaries under this program was also on a decline from 51 workers in 2010 to 30 workers in 2012. Global economic downturn resulting in shrinking labor demand in international market can be explained for this decline.

Table 5 suggests that domestic job creation policy has yielded quite positive incomes whereby 12,000 to 15,000 workers are introduced new jobs every year. However, due to economic downturn, there was not significant change in the number of workers having new jobs in 2012 despite a rise of 3,000 in 2011.

With regard to vocational training policy, the number of trained workers tends to stabilize during the past 3 years, standing at around 2,500 to 3,000 workers each year. An additional of 2,000 to 5,000 workers with confiscated land also received vocational training support. However, most beneficiaries are young workers who are not households' main workers since the opportunity cost for these beneficiaries when having vocation training is not high. The total number of workers attending vocational training course remains relatively low and cost ineffective considering the resources invested by the city.

Table 6. Workers granted job creation loans for

	2010	2011	2012
Number of workers having new jobs from Fund 71	20,737	12,068	8,141
Total of loan value from Fund 71 (billion VND)	224.8	150.2	104.9
Number of workers having new jobs from Fund 156	12,992	6,524	6,681
Total of loan value from Fund 156 (billion VND)	103.2	51.1	57.0

Source: Annual report of Poverty Reduction Program 2009-2012

Credit support policy for job creation has drawn higher attention from poor and near-poor households than vocational training and job creation policy as loan receiving households can have new jobs right after they are granted the credit. Job creation national Fund (Fund 71), Job creation fund for people with confiscated land (Fund 156) in addition to some other sources of the VBSP are involved in credit policies for job creation. However, Table 6 indicates that the number of beneficiaries as well as total loan value of Fund 71 has noticeably decreased. Specifically, total loan value in 2012 was only two thirds that in 2011 while the number of workers having new jobs from Fund 71 in 2012 was only 67.0 percent that in 2011. In general, the capital of such funds stays limited and unable to satisfy targeted households' needs.

3.2.3. Health care policies

3.2.3.1. Background on health care policies

HCMC has implemented 2 health care policies to support poor and near-poor households in reducing their health care costs: (i) health insurance card purchase support for poor and near-poor households; and (ii) support 15 percent of health care costs for poor households.

Health insurance policy for poor and near-poor households provides 100 percent health insurance fee support for households with annual income of less than 8 million VND/person/year and 50 percent support for households with annual income of 8 to 12 million VND/person/year. Decision No. 36/2012/QD-UBND expands the coverage of this policy to near-poor households since 2013. Specifically, near-poor households according to the city's poverty line can benefit 50 percent support in purchasing health insurance. HCMC's DOLISA takes charge of tracking and creating the list of eligible near-poor households based on which the Department of Health (DOH) will provide free health

insurance card to eligible households. Ho Chi Minh City's Social Insurance Agency collaborated with DOLISA and DOH in distributing health insurance cards and paying health care costs to poor households.

15 percent health care costs support policy for poor households is Ho Chi Minh City's peculiar policy implemented according to Decision No. 36/2012/QD-UBND on supporting policies for poor and near-poor households during 2012-2015. Targeted beneficiaries are poor households based on the City's poverty line. Poor people carrying health insurance cards and poor household certificates only have to pay 5 percent health care costs. 80 percent of the total costs is paid by the Social Insurance Agency while 15 percent is paid by the Poor People Health care Fund managed by the DOH.

3.2.3.2. Implementation results of health care policies

Despite the implementation of health care policies targeted poor and near-poor households, the proportion of poor people having health insurance cards still remains low. According to data provided by the DOH, during 2009-2012, Ho Chi Minh City purchased and distributed 829,992 health insurance cards. The total budget allocated for the health insurance card purchase for poor people was 286.1 million VND. The proportion of households purchasing health insurance cards was quite low, particularly among those who can benefit from 50 percent fee support.

Table 7. Implemention results of distributing health insurance cards to poor households during 2009-2012

	2009	2010	2011
Number of insurance cards for poor people	448,201	318,563	211,296
Total number of poor people	595,478	460,060	375,390
Proportion of poor people having health insurance cards	75,3 percent	69,2 percent	56,3 percent

Source: Annual Report on Poverty Reduction and data provided by the DOH and Social Insurance Agency

Table 7 suggests that the proportions of people purchasing health insurance cards fell by 13 percent from 2010 to 2011. Limited support of only 50 percent for poor households with annual income from 8 to 12 million VND/person and notable change in the poverty incidence are among the main reasons leading to this situation.

Table 8. Health Insurance policy implementation results by recipients 2010-2011

	2010		2011	
	Poor people (annual income below 8 million VND/person)	Poor people (annual income of 8 to 12 million VND/person)	Poor people (annual income below 8 million VND/person)	Poor people (annual income of 8 to 12 million VND/person)
Number of poor people with health insurance cards	269,427	49,136	145,488	65,808
Total number of poor people	298,012	162,048	163,215	212,175
Rate of poor people with health insurance cards	90 %	30 %	89 %	31 %
Rate of poor people with other health insurance cards	10 %	10 %	11 %	10 %

Source: Annual Report on implementation of Health Insurance Law 2010-2011

Table 8 shows that Poor people with annual income below 8 million VND/person accounted for 64.0 percent total poor people in 2010 and only 43.4 percent in 2011, which suggests that a large percentage of people who were eligible for 100 percent health insurance fee support in 2010 had to pay 50 percent fee if they purchase health insurance cards. Besides, while the number of health insurance cards for poor people with annual income of 8 to 12 million VND/person rose by around 16,672, the proportion of those purchasing the cards among these poor people slightly increased by 1 percent as compared to the previous year.

Ho Chi Minh City's Social Insurance Agency reports that the number of near-poor people with annual income of more than 12 million VND/person voluntarily purchased health insurance cards during the first 5 months of 2013 was 39,817 cards, making up only 9.0 percent of the total near-poor people in the city.

Table 9 shows the implementation of the Poor People Health care Fund since March 2010 on beneficiaries who are patients of chronic renal failure. After the Fund extends to cover poor people, the cases receiving Fund's support has remarkably increased. During the first 5 months of 2013, the number of cases was estimated to equal that of the whole 2012. The average support was 100,000 VND/case.

Table 9. Implementation results of the Poor People Health care Fund during 2010-2013

	2010	2011	2012	5 first months in 2013
Cases receiving support	25,697	76,199	56,026	55,661
Total budget (million VND)	2,738.1	8,119.2	5,969.7	5,176.0

Source: Annual Report on the performance of the Poor People Health care Fund during 2012-2013

3.2.4. Education supporting policies

3.2.4.1. Background on education supporting policies

Ho Chi Minh City has implemented two education supporting policies aimed to increase the education quality, level as well as the professional education of poor and near-poor

households towards sustainable poverty reduction: (i) tuition fee and school's facility contribution exemption for students; and (ii) preferential credit programs for students.

Tuition fee and school's facility contribution exemption for students supports 100 percent tuition fee and school's facility contribution for students of household with annual income of less than 10 million VND/person. Students of households with annual income of 10 to 12 million VND/ person can benefit from 50 percent exemption. In addition, each household can also receive a support of 70,000 VND/month to cover their education costs pursuant to Decision No. 49/2010/ND-CP. Students only have to present their poor household certificates to respective school so as to receive fee exemption.

Preferential credit program for students is among preferential credit programs of VBSP. Students of poor households with annual income of less than 10 million VND/person or of households with difficulties in finance, severe illnesses, accidents, natural disasters during their schooling years can borrow money from the program to cover their tuition fees, education equipment costs as well as transportation and living stipend. The loan value is 1 million VND/student/month with a monthly interest rate of 0.65 percent.

Besides, Ho Chi Minh City also has some other programs managed by different mass organizations to support the education of students of poor and near-poor households including: the Poverty Reduction Fund established Fatherland Front providing 50 percent tuition fee support for near-poor households according to Document 9885/HDLT/LDTBXH-GDDT-TC, and Scholarship Fund established by the City's Association for Promoting Education supporting part of educational costs for students of poor and near-poor households.

3.2.4.2. Implementation results of education supporting policies

Reports of Ho Chi Minh City's Department of Education and Training (DOET) indicate that every year they provide tuition fee exemption and educational cost support to around 40,000 cases of poor students. However, the average support value remains low. In 2010-2011 school year, the average support for each case was around 350,000 VND/student/year and fell to 163,000 VND/student/year in 2011-2012 school year. When both tuition fee exemption/reduction and education cost support are considered, the average support in 2011-2012 school year was 470,000 VND suggesting a decline of 33.0 percent as compared to that in 2010-2011 school year.

Table 10. Implementation results of tuition fee exemption/reduction programs

	2010-2011	2011-2012
Tuition fee exemption/reduction		
Total support (billion VND)	16,0	6,4
Total cases receiving support	46,105	39,219
Average support/case (thousand VND)	346,6	163,2
Education cost support		
Total support (billion VND)	14,5	15,0
Total cases receiving support	41,529	49,242
Average support/case (thousand VND)	350,0	305,1

Source: Data provided by Mr. Le Hoai Nam – Vice Director of Ho Chi Minh City's DOET

Preferential credit program for students managed by the VBSP is regarded as among the most effective education supporting programs. Specifically, every year the program provides support an approximate number of 50 thousand students in need of loans to cover their educational costs. The capital for the program has gradually increased every year and is able to satisfy the demands of students.

Table 11. Implementation results of preferential credit program for students 2010-2012

		2010	2011	2012
Preferential credit program for students	Total loan outstanding	590.3	632.4	648.5
	Total recipients	49,452	42,816	48,868

Source: Report on Implementation of Poverty Reduction program in the period of 2009-2012

In addition to state budget, scholarships from the Association for Promoting Education and other scholarship sources play an important role in supporting poor and near-poor households' access to education. Ho Chi Minh City's Association for Promoting Education reported that during the past years the education promotion funds at 3 levels can mobilize 20 billion VND among which 2.7 billion VND is allocated for scholarships in 2012 creating a number of 1,746 scholarships for students to pursue higher education goals.

3.2.5. Housing support policies

3.2.5.1. Overview of housing support policies

Ho Chi Minh population in 2012 was 7.8 million people, increased by 3.1 percent as compared to 2011. Mechanical population increase rate is 18.9‰, which is much higher than natural population increase rate at 9.6‰ (GSO, 2013). Under the pressure of increased population and high migration rate, Ho Chi Minh City is now facing difficulties in downgrading and unequal infrastructure. The poor/near-poor housing conditions are deteriorating under the pressure of increased population and climate change in recent years. To support the poor/near-poor households to improve the housing conditions and their living conditions, Ho Chi Minh City is currently implemented three housing support programs including: (i) Charity house building and house repair for the poor households, (ii) Resettlement program for 3,000 to 5,000 poor-households living near canals, (iii) Housing loan program for the poor to repair their house.

Charity house building and house repair for the poor households support poor households and privileged groups based on a list of households approved by Ho Chi Minh People's Committee. According to Official Document No. 1112 dated 20/7/2011 of Ho Chi Minh Office of the Party Committee, the maximum support level to build charity houses are 25 million VND/charity house and 50 million VND/house for privileged social groups. The program support funding is Fund for the Poor managing and raising fund by Fatherland Front Committee. Fatherland Front Committee is also in charge of implementation supervising.

Resettlement program supports 3,000 to 5,000 poor-households living in dangerous areas near canals, living in lowland at risks of landslides and living in slump areas according to city planning. Department of Construction and Project management unit of urban upgrade project are in charge of this program.

Housing loan program support provides preferential credit for the poor/near-poor to improve their housing conditions. Two main funding for this program are Hunger Eradication and Poverty Reduction Fund and Fund 316 managed by VBSP. Near-poor households can only borrow from Hunger Eradication and Poverty Reduction Fund while poor households can borrow from both these two sources. In addition to housing loan program, clean water and sanitation lending program is also a big program undertaken by VBSP to help improve housing conditions for the poor/near-poor.

3.2.5.2. Implementation result of housing support policies

According to report on the implementation of poverty reduction program in the 2009-2012 period, Fund for the Poor supported to build 4,285 charity house, 439 house of compassion and leaking repair for 3,777 poor household' houses. Table 12 below presented detailed implementation support result of Fund for the poor.

Table 12. Implementation support result of Fund for the poor in 200-2012

	2009-2010		2011		2012		2009-2012	
	Quantity	Fund (billion VND)	Quantity	Fund (billion VND)	Quantity	Fund (billion VND)	Quantity	Fund (billion VND)
Charity house	2,526	41.4	973	20.1	786	20.7	4,285	82.2
House for concession	204	5.9	126	4.2	109	5.6	439	15.6
Leak repair	1,969	12.1	870	6.4	938	8.9	3,777	27.3
Total		59.3		30.6		35.2		125.2

Source: Report on the implementation of poverty reduction program in the 2009-2012 period

Total budget of Fund for the poor using to build charity house and house repair for the poor slightly increased over the years within 2009-2012 period. In 2012, total budget support was 35.2 billion VND, increased by 5 billion VND as compared to the previous year. In 2011, Ho Chi Minh People's Committee promulgated Official Document 1112- CV/VPTU to increase cost norm for charity house building adjusting for high inflation rate. The maximum support level to build charity houses are 25 million VND/charity house (from15 million VND before) and 50 million VND/house (instead of 25 million VND/house) for privileged social groups, resulting in lower number of charity and compassion house built as compared to previous years. In particular, the number of charity house built in 2012 decreased by 200 house as compared to 2011. Even so, the charity houses built can meet 90 percent demand of especially difficult households[16].

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[16] In 2012, there were 1.015 extremely difficult households with average income lower than 8 million dong/person/ year. – Report on the implementation of poverty reduction program in 2012.

CHAPTER 4: IMPACT ASSESSMENT OF POVERTY REDUCTION SUPPORT POLICIES IN 2009-2013 PERIOD

4.1. Household socio-economic development characteristics

4.1.1. Household demographic and income characteristics

According to the survey, 98.6 percent of the households have registration book in the districts where they live. Average household size is 4.3 persons. The difference between poor group and near-poor group is minor (4.4 persons for poor household and 4.3 person for near-poor household)

The average ratio of dependents (children under 15 and people above 60) is 29.0 percent. Among poor and near-poor group, this ratio is 28.3 percent and 29.2 percent respectively. Labor ratio (number of employed persons/number of household members) is 54.5 percent on average and there is a slight difference between poor group (55.5 percent) and near-poor group (54.5 percent).

Because the majority of household heads are old people (average age is 56.8); average schooling year of a household head is only 6.1 years. The proportion of household heads who worked during the last 12 months is 60.0 percent. Most of them work in trade and services; while only 8.0 percent household heads works in agricultural sector. Moreover, retirement or staying at home to do homework (accounting for 80.0 percent) is among the most common reason why they do not work.

Table 13. Household demographic characteristics

	Poor household	Near-poor household	Total
Household head age	56.1	57.1	56.8
Household head's years of schooling	6.0	6.2	6.1
Ratio of household heads working in agriculture	6.4	8.6	8.0
Household size (persons)	4.4	4.3	4.3
Ratio of dependents	28.3	29.2	29.0
Labor ratio	55.5	54.6	54.8
Ratio of households registering residence in districts	99.6	98.3	98.6

Source: Results from Ho Chi Minh urban poverty survey 2013

Income per capita of a surveyed household is estimated at around 10.3 million, in which income per capita of poor and near-poor household are 7.7 and 14.1 million respectively on average. Income from salary and wage mainly contributes to household income, accounting for 65 percent of total income. Income from non-agricultural activities is the second largest source; whereas income from fishery, agriculture and forestry only comprises 3 percent in total. The composition of income sources between poor and near-poor household groups is relatively different; income structure varies between different groups. 61.6 percent income of poor household group is from wage and salary; non-agricultural activities account for 26.4 percent and only 1.5 percent is from fishery, agriculture and forestry. As for near-poor group, the proportion of income from wage and salary is 66.1

percent; 21 percent is from non-agricultural activities; income from fishery, agriculture and forestry constitutes 3.5 percent total income of an average near-poor household.

Table 14. Household income per capita

	Poor household	Near-poor household	Total
Income per capita (thousand VND)	7.697	14.118	10.286
Sources of income (percent)			
Wage and salary	61.6	66.1	65.0
Non-agricultural activities	26.4	21.0	22.3
Fishery. agriculture and forestry	1.5	3.5	3.0

Source: Results from Ho Chi Minh urban poverty survey 2013

4.1.2. Housing situation

According to the survey, the average living area per person is 15.1 m^2. The proportion of households having less than 7.5 m^2 for each member still remains at 25 percent. On average, poor and near-poor households in Ho Chi Minh City have housing area less than national average level at 16.7 m^2 (GSO, 2009). The living area per person for poor household group is 12.5 m^2 which is less than that of near-poor household group (16.0 m^2) at about 25 percent.

Table 15. Housing conditions

Criteria	Poor household	Near-poor household	Total
Housing area per person (m^2)	12.5	16.0	15.1
Concrete/tile roofs	12.2	18.6	17.0
Concrete/brick walls	95.7	96.5	96.3

Source: Results from Ho Chi Minh urban poverty survey 2013

As regards housing quality, although 96.3 percent households have walls which are made of concrete/brick, only 15.1 percent households have walls with concrete and tile roofs. The main material for roofs is cement/metal sheet. Near-poor household's quality of housing is better than that of poor group. Reinforced concrete/tile roofs cover 18.6 percent of all near-poor households, which is larger than that of poor households (12.2 percent).

The ratio of houses which are owned by members of those households reaches 92.5 percent. The rates for poor and near-poor household groups are 88.2 percent and 93.9 percent respectively. Only 3.5 percent of surveyed families are not house owner. The proportion of poor households having no house is 7.1 percent while that of near-poor households is only 2.3 percent.

Table 16. Housing condition

	Poor household	Near-poor household	Total
Type of ownership			
Owner is household member	88.2	94.0	92.5
Co-ownership	3.5	3.1	3.2
Renting	2.4	1.5	1.7
Borrowing	4.7	0.8	1.8

Source: Results from Ho Chi Minh urban poverty survey 2013

According to the survey results, over 67 percent of households have private tap water which is provided directly to their home. Only 0.3 percent households use unhygienic water (well, river, lake and pond). 94.7 percent interviewed households use septic tanks or semi-septic tanks; only 1.3 percent households have no latrines. The proportion of poor household group having septic tanks or semi-septic tanks is higher than that of near-poor group, with the numbers for two groups being at 95.3 percent and 94.5 percent respectively.

Table 17. Water and hygienic latrines

	Poor household	Near-poor household	Total
Pipe water source	74.1	64.7	67.1
Main source of water is hygienic	25.9	34.9	32.6
Type of latrines			
percent septic tanks and semi-septic tanks	95.3	94.5	94.7
percent others	3.9	4.0	4.0
percent no latrines	0.8	1.5	1.3

Source: Results from Ho Chi Minh urban poverty survey 2013

4.1.3. Education situation

The net enrolment ratio is defined as enrolment of the official age-group for a given level of education expressed as a percentage of the corresponding population. The survey shows that net enrolment ratios for primary school and secondary school are 92.3 percent and 95.1 percent respectively. The average years of schooling for adults (above 15) are 7.8 years and the proportion of labors having vocational training is 13.1 percent. Near-poor household group has all four indicators greater than that of poor household group; however, the difference is relatively insignificant.

Table 18. Educational indices

	Poor household	Near-poor household	Total
Net primary enrolment ratio	90.0	93.0	92.3
Net secondary enrolment ratio	92.5	96.2	95.1
Adult's average years of schooling	7.6	7.8	7.8
Ratio of labors having vocational training	12.0	13.5	13.1

Source: Results from Ho Chi Minh urban poverty survey 2013.

The survey results show that around 19.6 percent people from surveyed households are still in school; of these, 91.7 percent are students in public schools and only 21.9 percent students get tuition fee exemption/reduction. The rate of students exempted from tuition fee in poor group is 29.3 percent, which is much higher than that in near-poor group (19.3 percent).

Exempted/reduced support only equals to 61.7 percent of tuition fee and 30.9 percent of contributions for facilities. The amount in cash granted for students in poor group is 900 thousand VND which is nearly double that from near-poor group.

Table 19. Output targets and educational outcomes

	Poor household	Near-poor household	Total
Public schools	90.2	92.3	91.8
The rate of students getting tuition fee exemption	29.3	19.3	21.9
Proportion(percent)of tuition fee exemption			
Tuition	60.2	62.5	61.7
Facilities	27.5	32.7	30.9
Other contributions	8.1	7.2	7.5
The amount in cash granted for a student on average	900	504	645

Source: Results from Ho Chi Minh urban poverty survey 2013.

4.1.4. Health status and access to health care

According to the survey result, 41.1 percent of the interviewed people said that they were sick or injured in the past 12 months. Of these, only 31.3 percent usually seek medical care and 42.7 percent occasionally visit health care centers. The rate of people having domestic medicine in poor and near-poor households is still high, with about 25.8 percent people totally not having access to health care services. This rate for poor household group is 29.5 percent which is higher than that of near-poor group (24.4 percent).

Table 20. Health indicators

	Poor household	Near-poor household	Total
The rate of people sick or injured in the last 12 months	41.8	40.8	41.1
Medical examination frequency			
Yeas. usually	30.4	31.6	31.3
Yeas. sometimes	39.6	43.8	42.7
Self-healing	29.6	24.4	25.8
No. do nothing	0.4	0.2	0.2
The rate of medical examination at healthcare facilities			
Ward/commune health centre	3.7	3.4	3.5
District hospital	73.7	70.9	71.6
Province hospital	18.4	24.1	22.7
Central hospital	6.7	7.9	7.6
Private hospital	6.1	10.7	9.6
Private clinic	10.4	8.3	8.8

Source: Results from Ho Chi Minh urban poverty survey 2013

The majority of people with illness normally go to state health centers. Of these, the proportion of people having medical treatment at ward/commune health centers is very low (3.5 percent). Most poor and near-poor households come to district hospitals (71.6 percent). Moreover, the number of people who seeks to medical treatment in district hospitals in poor group is higher than that of the near-poor group (73.7 percent in comparison to 70.9 percent).

Table 21. Access to health insurance

	Poor household	Near-poor household	Total
The rate of people having health insurance	65.2	67.4	66.9
The rate of people usually using health insurance	46.9	51.6	50.4

Source: Results from Ho Chi Minh urban poverty survey 2013

The rate of having health insurance reaches 66.9 percent for both poor and near-poor group on average. The rate for poor group is 65.2 percent and that for near-poor group is 67.4 percent. The proportion of people who frequently use health insurance when seeking medical treatment is 50.4 percent. Even though the rate of getting sick and injured of poor households is higher than that of near-poor household, the proportion of people who frequently use health insurance in poor household group is 46.9 percent, lower than the near-poor households' ratio at 51.6 percent.

4.1.5. Credit

Formal credit sector

According to the survey results, the proportion of households borrowing from formal sources is quite large. On average, 50.9 percent of total loan is from the formal sector. The rate of poor households receiving loans is 60.8 percent, which is much higher than the figure of 47.6 percent of near-poor households. The main sources of borrowing for poor and near-poor households include credit schemes of VBSP, Hunger Eradication and Poverty Reduction Fund and credit institutions. Near-poor household group faces more difficulties in accessing preferential loans than the poor group. 23.9 percent loans of the poor are from Hunger Eradication and Poverty Reduction Fund, while those of near-poor group are only 17.4 percent. However, near-poor group has easier access to loans from commercial banks than the poor. Only 3.7 percent of poor households borrow from commercial banks, while the rate among near-poor households is 13.9 percent.

Table 22. Borrowing situation in formal credit sector

	Poor household	Near-poor household	Total
Percentage of households borrowing formal credit	60.8	47.6	51.0
Proportion of borrowing from different sources			
Bank for social policy	40.8	36.0	37.5
National Job Creation Fund	0.74	0.87	0.83
Hunger Eradication and Poverty Reduction Fund	23.9	17.4	19.5
Credit institutions	27.9	28.9	28.6
Fund for the Poor	2.9	2.8	2.8
Commercial banks	3.7	13.9	10.6

Source: Results from Ho Chi Minh urban poverty survey 2013

The majority of borrowing is for business purposes, accounting for 41 percent of total loans for poor and near poor surveyed households. Only 4.0 percent of loans are for medical treatment. The average interest rate of a loan is 0.78 percent per month, in which near-poor households have to pay higher interest rate than the poor group (0.87 percent compared with

0.74 percent). The ratio of loans with mortgage among the poor is 4.4 percent; while that among the near-poor is 15.0 percent.

Table 23. Loans' purposes

	Poor household	Near-poor household	Total
Loans' purposes			
Consumption	21.0	22.7	22.1
Doing business	36.8	42.9	41.0
Education. vocational training	14.0	10.8	11.8
Working abroad	0.0	0.0	0.0
Returning a loan	7.4	5.2	5.9
Medical treatment	2.2	4.9	4.0
Others	18.8	13.4	15.2
Ratio of loans with mortgage	4.4	15.0	11.6
Interest rate	0.74	0.79	0.78

Source: Results from Ho Chi Minh urban poverty survey 2013

Informal credit sector

According to the survey results, the proportion of households borrowing from informal sources is still relatively high, accounting for 28.1 percent of the surveyed households. Of these, approximately 77.0 percent of households borrow from relatives, friends and other household members. There are more than 20.9 percent of poor households borrowing from moneylenders. The average interest rate of loans from informal sources is six times higher than that from official sources. Notably, the poor group has to pay interest rates as twice as near-poor households (6.5 percent compared with 3.2 percent). The purpose of loans borrowing from the informal credit sector is almost for consumption (41.3 percent); followed by doing business (16.2 percent) and seeking medical treatment (15.6 percent).

Table 24. Borrowing situation in informal credit sector

	Poor household	Near-poor household	Total
Percentage of households borrowing formal credit	33.9	26.1	28.1
Interest rate	6.5	3.2	4.3
Borrowing sources			
Relatives, friends and other household members	71.3	79.7	77.0
Moneylenders	25.0	18.9	20.9
Pawnshop	0.0	0.44	0.30
Others	3.7	0.88	1.8
Loans' purposes			
Consumption	37.0	43.4	41.3
Doing business	19.4	14.6	16.2
Education. vocational training	4.6	5.8	5.4
Working abroad	0.0	0.0	0.0
Returning a loan	3.7	4.9	4.5
Medical treatment	16.7	15.0	15.6

Source: Results from Ho Chi Minh urban poverty survey 2013

4.1.6. Employment situation

According to the survey results, the proportion of poor and near-poor members above six years old with employment income in the past 12 months is 57.6 percent. Percentage of employed men is higher than employed women (64.7 percent for men compared with 51.4 percent for women). Salary/wage workers account for the highest proportion of employment (63.3 percent), followed by self-employed workers (28.3 percent); only 1.6 percent of the workforce is a business owner; 4.7 percent work for a family. In comparison to near-poor households, poor group has less salary/wage workers (60.9 percent compared with 65.5 percent). However the self-employment rate of the first group is higher than that of the second group (32.7 percent compared with 26.7 percent).

Table 25. Employment situation

	Poor household	Near-poor household	Total
Ratio of household participating in economic activities	58.3	57.4	57.6
Ratio of labor according to occupations			
Leaders /Business owners	1.3	1.6	1.6
Self-employed	32.7	26.6	28.2
Paid workers	60.9	65.5	64.3
In-job trainees	0.33	0.53	0.48
Members of cooperatives	0.0	0.0	0.0
People working for a family	4.0	5.0	4.7

Source: Results from Ho Chi Minh urban poverty survey 2013

The proportion of unskilled labor is very high, accounting for 58.4 percent total interviewed labor; of which, 7.3 percent are sale and service employees; 15.8 percent are assembling and operation workers. Only 6.6 percent are leaders/business owners; 7.6 percent of the workforce is professionals, skilled labor and office employees.

Table 26. Types of principal occupations

	Poor household	Near-poor household	Total
Leaders /Business owners	8.9	5.7	6.5
High level professional	0.17	0.65	0.52
Middle level professional	1.2	2.4	2.0
Elementary professional/white collar	3.0	4.6	4.2
Sale and service employees	8.8	6.8	7.3
Skilled workers in fishery. agriculture and forestry	0.83	0.88	0.87
Manual workers	11.6	12.7	12.4
Assembling and operation workers	1.7	3.9	3.3
Unskilled workers	60.1	57.8	58.4
Military	0.66	1.5	1.3

Source: Results from Ho Chi Minh urban poverty survey 2013

Number of working hours for the most time consuming job in the last 12 months is 2299 hour/year. Poor group works less than near-poor one, but the difference is not significant (2269 hours for the poor in comparison with 2309 hours for the near-poor).

Average monthly salary of a worker in poor households is only about 91.0 percent that of near-poor households. The average salary of all surveyed working people is 3218 per month.

Among all surveyed workers, there is 33.3 percent self-employed labor, 24.6 percent labor with oral agreement contracts and only 19.9 percent labor with contracts from 1 to 3 years. Near-poor group has larger proportion of labor with long-term contracts than poor group (38.0 percent and 27.4 percent respectively).

Table 27. Wage and different types of poor and near-poor labor' contracts

	Poor household	Near-poor household	Total
Wage from main job (thousand VND)	3007	3286	3218
Contracts			
Self-employed	37.8	31.6	33.3
Long-term contracts	27.4	38.0	35.2
Short-term and seasonal contracts	6.9	6.9	6.9
No contract. oral agreement	27.9	23.5	24.6

Source: Results from Ho Chi Minh urban poverty survey 2013

4.2. Preferential credit policies

The policies supporting poor and near-poor households in accessing preferential credit and micro-credit play an important role in helping households in having sustainable livelihood, improving living standard and securing a stable life. There have been a number of diversified micro-credit programs which serves a variety of purposes. A lot of credit institutions and agencies are responsible for those programs. Some typical programs provide extensive coverage, including loan programs from Hunger Eradication and Poverty Reduction Fund (Fund 140) and VBSP, micro-credit programs from Capital Aid fund for Women in Economic Development (CWED) and Capital Aid Fund for Employment of the Poor (CEP).

4.2.1. Access to policies

Communication activities about preferential credit programs to poor/near-poor households are relatively effective. Agencies and credit institutions are gradually expanding information network to local level. For example, VBSP has closely cooperated with the local authorities and mass organizations in passing on information to households and small business. Moreover, preferential credit programs are also informed via local radio and information boards located in local People's Committees. CWED fund which is managed by Women Union broadcasts propaganda about their programs through thematic monthly meetings; while information network of CEP are diversified through Woman Union, local authorities and CEP staff network in order to maximize the coverage of information on the fund.

Although information network of credit institutions and agencies are widespread, the result shows that communication activities still need to be improved in order to provide sufficient information on programs to poor and near-poor households. According to survey result, only 70.5 percent of poor households and 59.0 percent of near-poor households know Job creation loan program. Of which, many households do not know that they are the beneficiaries of the program. In spite of the fact that poor households are eligible to get loans,

there are 27.7 percent poor households which do not borrow due to the reason that they thought they were not the beneficiaries of the program.

The funding procedure is getting improved and simplified. Almost programs are done through Poverty reduction group. Borrowers only have to submit their loan applications to the head of Poverty reduction group. After that, Poverty reduction group will meet and seek for other households' opinions. If a loan application is eligible it will be transferred to commune/ ward center and VBSP for approval. Since the activities of checking households' need for borrowing and consultant activities are conducted strictly, therefore, the rate of rejected loan applications is very low.

Box 2. Funding procedure is simple and quick

Previously Women Union lent our family 5 million VND and we cleared off the debt after one year. At the end of 2011, my daughter-in-law wanted to open a grocery store at home. I went to village center and a village staff guided me to borrow form VBSP. The procedure was so simple; I only had to submit loan application to the village authority. After that I was introduced to join loan saving group. Thanks to ward/commune's guarantee, VBSP lent me 30 million VND.

Source: Opinion of a household in Thu Duc, group discussion in 27/6/2013

The result shows that the rate of poor and near-poor households getting preferential credit is relatively high (60.8 percent for poor group and 47.6 percent for near-poor group). Of which, VBSP is by far the most common source of borrowing, accounting for 40.8 percent of poor households' loan and 36.0 percent of near-poor households' loan. Other credit institutions, especially CEP, also play an important role in financing poor and near-poor households. In addition to this, poor and near-poor households have easier access to the fund, with around 28.9 percent of total loans coming are from credit institutions and agencies.

Table 28. Lending performance from formal source of poor/near-poor households

	Poor household	Near-poor household	Total
Proportion of household received loan	60.8	47.6	51.0
	(3.1)	(1.8)	(1.6)
Funding sources			
VBSP	40.8	36.0	37.5
	(3.0)	(2.0)	(1.7)
Fund 71	0.74	0.87	0.83
	(0.52)	(0.39)	(0.31)
Hunger Eradication and Poverty Reduction Fund	23.9	17.4	19.5
	(2.6)	(1.6)	(1.4)
Institutional funds (CEP. CWED)	27.9	28.9	28.6
	(2.7)	(1.9)	(1.6)
Fund for the poor	2.9	2.8	2.8
	(1.0)	(0.69)	(0.57)
Commercial banks	3.7	13.9	10.6
	(1.1)	(1.4)	(1.1)

Standard errors in blanket.

Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Data on formal and informal loans shows that poor and near-poor households can easily get access to preferential credits from formal sources for production and business purposes. On average, 41.0 percent of total loans that the poor and near-poor obtained from formal sources are for production and business purposes whereas only 16.2 percent loans for those purposes are from informal sources. However, access to preferential credits for the purposes of having medical treatment and consumption remains limited. Therefore, the poor and near-poor have to borrow money from unofficial sources for those purposes, explaining for 41.3 percent loans for consumption and 15.6 percent loans for seeking medical treatment. These figures for loans from official sources are 22.1 percent and 4.0 percent respectively.

It is noticeable that there is no surveyed household borrowing for working abroad. This result is consistent with the result from VBSP. According to VBSP, although it has special credit preferential program for poor workers who want to work abroad in a definite term, the program has the most limited funding. Total loan of this program is only from 2 to 3 billion VND and the ratio of poor and near-poor households borrowing is minor[17].

Table 29. Lending purposes for formal and informal loan of poor/near-poor households

	Poor household		Near-poor household			Total
	Formal source	**Informal source**	**Formal source**	**Informal source**	**Formal source**	**Informal source**
Consumption	21.0	37.0	22.7	43.4	22.1	41.3
	(2.5)	(4.7)	(1.8)	(3.3)	(1.4)	(2.7)
Business investment	36.8	19.4	42.9	14.6	41.0	16.2
	(2.9)	(3.8)	(2.1)	(2.4)	(1.7)	(2.0)
Education and vocational training	14.0	4.6	10.8	5.8	11.8	5.4
	(2.1)	(2.0)	(1.3)	(1.6)	(1.1)	(1.2)
Working abroad	0.0	0.0	0.0	0.0	0.0	0.0
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pay other loan	7.4	3.7	5.2	4.9	5.9	4.5
	(1.6)	(1.8)	(0.93)	(1.4)	(0.81)	(1.1)
Health care	2.2	16.7	4.9	15.0	4.0	15.6
	(0.9)	(3.6)	(0.9)	(2.4)	(0.68)	(2.0)
Other	18.8	18.5	13.4	16.4	15.2	17.1
	(2.4)	(3.8)	(1.4)	(2.5)	(1.2)	(2.1)

Standard errors in blanket.

Source: Results from Ho Chi Minh Urban Poverty Survey 2013

4.2.2. Impacts of credit policies

Quantitative impact evaluation of credit policies always imposes a great challenge in applied economics. The biggest difficulty in the impact evaluation process is that borrowing households make their decisions based on the lending conditions and their own needs. This stage is unobservable and households who borrow loans have different characteristics from

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[17] VBSP operational report on loan approval of 5 main programs within 2009-2012

those who do not. Besides, households who do not have preferential loans can still borrow from other formal and non-formal credit sources. There have been a number of studies on the impact of credit on households' welfare. Quach and Mullineux (2007) utilized instrumental-variable regression and data from VLSS 1993 and 1998 and found out that credit in general contributes to households' increasing expenditure. Similarly, Nguyen (2008) with the use of instrumental-variable regression and data from VHLSS 2004 also showed a positive impact of preferential credits from the Bank of Social Policies for poor households on increasing expenditure and reducing poverty.

Table 30. Impacts of credit policies

Explanatory variables	Dependent variables			
	Houses with tap water	Houses with flush toilet	Monthly Kwh consumed	Logarithm of annual income during the last year
Preferential loans (From VBSP. Job creation Fund. Poverty Reduction Program and other preferential credits)	-0.001	0.013	3.10	0.016
	(0.021)	(0.015)	(8.03)	(0.045)
Annual average income in 2009	0.113*	0.041	96.82***	0.250*
	(0.064)	(0.047)	(24.81)	(0.138)
Proportion of female household members	0.024	0.002	28.87	-0.119
	(0.047)	(0.035)	(18.45)	(0.103)
Household size	-0.001	0.007	25.53***	-0.012
	(0.006)	(0.005)	(2.41)	(0.013)
Proportion of household children under 15 years of age	0.038	0.029	24.10	-0.640***
	(0.063)	(0.046)	(24.36)	(0.136)
Proportion of household members over 60 years of age	0.063	0.039	4.11	-0.523***
	(0.046)	(0.034)	(18.00)	(0.100)
Schooling years of household head	0.002	0.003*	3.08***	0.016***
	(0.003)	(0.002)	(1.08)	(0.006)
Intercept	0.601***	0.879***	14.27	7.029***
	(0.101)	(0.074)	(39.14)	(0.219)
Commune dummy variable	1002	1002	973	995
	0.642	0.110	0.25	0.138
Observations	1002	1002	1002	995
R-squared	0.167	0.644	0.110	0.145

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

In this research, the impact of Ho Chi Minh City's preferential credit policies is measured by running regression of the variables of average income and households' welfare on the variable of borrowing preferential credits. Findings show that the impacts of credit on households' income and welfare are small and not statistically significant. Table 41 and 42 in Annex 3 indicate whether impact of credit varies from rural and urban households or among those with different education levels of the household heads. Accordingly, there is no statistically significant impact of preferential credit on households' welfare. Likewise, preferential credits do not show clear impact on employment.

Though the quantitative analysis does not show clear impacts of credit policies, focused group discussions with poor and near-poor households reveal positive impacts of

such policies on households' livelihood diversification and income improvement. Many households have already obtained preferential credits to support their business or production activities. However, some households with loans for improving their small business shared that despite increase in income, it is not stable. According to Action Aid and Oxfam (2012), households who can sustainably escape poverty are those having houses for rent or having successful children who can assist them repay loans and enhance households' economic situation.

Participating households in focus group discussions also reported that preferential credits were helpful in avoiding usury loans. Preferential credit programs have brought about changes in households' awareness of the disadvantages and gradually reduce the use of usury loans, which has long become a common phenomenon in the city. Formal preferential loans have contributed to decreasing the incidence of borrowing from informal credit sources among poor and near-poor households.

Box 3: Reduce the burden of usury loans

Previously our family had to borrow money from moneylenders. We once borrowed 5 million VND in case of an emergency. Every day we had to pay an interest of 50,000 VND which made the total repayment after 3 months almost doubled. Fortunately, CEP officers visited and advised us on purchasing CEP loans. They granted us a loan of 15 million VND among which 10 million VND was used to repay the usury loan while the remaining was mobilized for opening a small café. Now we have already repaid the whole loan.

Source: opinion of a poor household in Tan Phu district, focus group discussion on June 27th 2013

However, loans from informal sources, especially usury loans are still popular. Urban Poor Survey shows that informal loans still hold an important role in poor and near-poor households' life when it comes to satisfying their daily needs or coping with sudden and unexpected events such as illnesses. Worryingly, around 20.9 percent of informal loans are usury. The average interest of informal loans is notably higher (around five times) than that of formal ones (4.3 percent/month as compared to 0.78 percent/month). The average value of informal loans is also higher that than of loans granted by financial institutions under the Poverty reduction and Increase of Better-off households Program (22.3 millions/loan as compared to 14.8 million VND/ loan).

4.2.3. Challenges and recommendations

Funding mobilization is a common challenge faces such credit programs as Program 316, Job Creation Fund 71 of VBSP and other microfinance funds. State budget allocated for VBSP's preferential credit programs is adequate and decreasing since Ho Chi Minh City applies a different poverty line from the national poverty line. As such, the number of approved credit requests is continuously on the decline: requests approved by Program 316 fell by three times from 2009 to 2012 while by 2012 requests granted under Fund 71 were only 60 percent in those 2012. Main source for the Poverty Reduction Fund is mobilized from organizations and individuals in the locality and thus, which does not secure a stable and

sustainable source. Microfinance funds such as CWED and CEP similarly face difficulty in seeking capital resources. High interest rate of domestic as well as international loans always stays high causing great constraints for these credit institutions to mobilize adequate capital to meet the borrowing needs of poor and near-poor households.

Inflexible lending mechanism is another factor that hinders the effectiveness of credit programs. Loan limits of some credit programs, especially those providing support for house building and repair remain inadequate. In addition, lending regulations of some program are not flexible, especially those imposed on business units, which creates barriers for accessing preferential credit sources. For instance, strict requirements on loan use efficiency for businesses with regard to the required number of new jobs created from the loan leads to low wages paid to workers and results in difficulties for businesses in recruiting workers. The loan term of only 1 to 3 years is short, which creates hesitance among enterprises and businesses in accessing preferential credits. To overcome this situation, it is necessary to revise the existing lending mechanism towards facilitating requirements to better satisfy the demands of businesses and households. Revising eligible beneficiaries is also important for the coming phase when increasing better-off households will become a priority.

There is a common situation that households have insufficient knowledge on how to effectively utilize loans and many households still show their hesitance towards applying for loans for fear of their inability to repay the loans. Therefore, communication programs to introduce case studies of households who successfully move out of poverty as well as training class on building households' knowledge on effective use of loan to increase households' income are necessary.

Another recommendation to increase the efficiency of credit programs for poor and near-poor households, particularly programs managed by small microfinance funds is to establish credit monitoring office at local level (which is known as credit bureau). These offices aim to manage credit programs implemented by different institutions in the same commune to avoid a situation when households can receive credit support from different sources at the same.

4.3. Vocational training and job creation support policy

4.3.1. Access to policy

Access to vocational training support policies by the poor/near-poor households is generally limited. Communication activities in vocational training are highly insufficient. Results from Poor Households survey 2013 shows that there are 39.6 percent of all households that heard about the vocational training policy but did not participate/ be benefited from the policy having demand but cannot access to vocational training policy. This ratio in vocational training support policy is actually much lower than in other policies. However, the ratio of 60.4 percent of households that know about the policy but have no demand for being supported reveals another fact that the majority of poor/near-poor households are not aware of the importance of vocational training in sustainable job creation and poverty reduction. The participation rate is very low. Only 2.7 percent of poor laborers and 3.0 percent near-poor laborers surveyed has vocational training. The major reason for not participating in

vocational training is "having no demand" (account for 94.1 percent and 94.9 percent of surveyed poor and near-poor households respectively).

Table 31. Participation in vocational training

	Poor households	Near-poor households	Total
Participation rate	2.7	3.0	2.9
	(0.50)	(0.31)	(0.26)
Reason for not having vocational training			
Having no demand	94.1	94.9	94.7
	(0.74)	(0.41)	(0.36)
Inappropriate training profession	0.88	1.1	1.0
	(0.29)	(0.19)	(0.16)
Don't know the place provides training	1.6	0.65	0.89
	(0.39)	(0.15)	(0.15)
High tuition fee	2.0	1.7	1.8
	(0.43)	(0.24)	(0.21)
Others	1.6	1.7	1.7
	(0.39)	(0.24)	(0.20)

Standard errors in blankets.

Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Access to financial support policy for vocational training of poor/near-poor households is also very limited. Of all households having members undergoing vocational training, only 25.0 percent of poor households and 23.3 percent of near-poor household have received financial support for vocational training. This again shows how limited communication activities affect Poverty Reduction Program beneficiaries.

Besides, low academic qualification is a barrier to poor/near-poor laborers when approaching vocational training service. Many workers do not meet academic requirements to enroll in vocational training institutions.

Box 4: Low academic qualification as a barrier to vocational training

My daughter just completed second grade. I want her to have vocational training but the school requires secondary degree for admission. We cannot do anything for my daughter to get admission to vocational school.

Source: Shared by woman from Thu Duc district, group discussion on 27/6/2013

The model of career center has not yet proved to be efficient. The surveyed result shows that almost poor/near-poor households (97.8 percent of poor households and 96.9 of near-poor household) found their current job information by their own or through their friends or family members. Only 0.53 percent poor workers and 0.69 percent of near-poor workers were able to attain job information through private and public career center.

Table 32. Access to lending policy for job creation of poor and near-poor household

	Poor household	Near-poor household	Total
percent households know the policy	70.5	59.0	61.9
	(2.9)	(1.8)	(1.5)
Of which:			
percent household participated/benefited from the policy	53.6	36.9	41.8
	(3.7)	(2.3)	(2.0)

Standard errors in blankets.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

The poor and near-poor households' access to information about preferential credit for job creation is relatively high (about 70.5 percent of poor households and 59.0 percent of near-poor household are aware of this support policy). However, the percentage of supported household is much lower. Of all households knowing about this policy, only 56.6 percent of poor households and 36.9 percent of near-poor household were able to borrow from the Program preferential credit funds. This low percentage is partly due to limited fund allocated and inadequate regulation of those funds. In particular, State Budget has not allocated more funds for Job Creation Fund (Fund 71) of Bank for Social Policy for the last three years, which make it insufficient to meet borrowing demand of the poor/near-poor households. The survey result shows that only 0.74 percent of poor households and 0.87 percent of near-poor households were able to borrow from Fund 71.

On the other hand, Fund to support project to employ poor/near-poor laborers currently encounters difficulties in approaching beneficiaries. It is regulated that one project must create at least 10 jobs for poor/near poor laborers. The workers show no interest in working in this project because the offered salary of these projects is very low as the result of the regulation. Additionally, the Fund cannot attract small businesses to borrow because the loan term is so short that makes the operation efficiency too low. Therefore, there are not many projects benefited from this Fund. At Ward 6, District 11, only two projects borrows from this fund.

Oversea worker lending program also has difficulty in reaching poor households. There are such a limited number of poor households having demand to borrow for working oversea. The main reason is that tuition fee for vocational training and working oversea is only provided in case the labor is chosen to work abroad. Meanwhile, the chance to be chosen depends largely on many factors such as worker's capability, health and labor market. Opportunity cost for not being chosen is too high, making the borrowing demand for this program limited.

Almost migrant poor households cannot access any support policy for vocational training and job creation. They only have access to career consulting center. However, they are subject to a service charge of 10 percent of the first month salary.

4.3.2. Policy impact

Table 33 presents the impact result of vocational training activities since 2009 to job variables of laborers within 15 to 65 years old. Dependent variables used includes whether they have work, number of working hours, paid job and average salary. Besides, other factors like having labor contract and health insurance at work are also being considered as the

measurement for job quality. The results show that vocational training variable have positive sign in regression models but it is statistical insignificant. Therefore, the impact of vocational training on average is not clear.

Further analyses on the impact of vocational training to different groups are conducted by adding interactive variables between vocational training and other demographic variables into regression model (Table 46, 47 and 48 in Annex 3). The impact of vocational training is not different between rural and urban areas as well as between male and female. However, the impact of vocational training on paid job and salary changes by age. Particularly, with young laborers, vocational training helps them improve ability to have paid job and higher salary.

Table 33. Impact of vocational training policy on the poor's job

Explanatory variables	Dependent variables					
	Have a job	Working hours in 2013	Have labor contract in 2013	Have health insurance in 2013	Have paid job in 2013	Logarithm of average monthly salary in 2013
Have vocational training within 2009 till now	0.0220	136.46	0.0275	0.0164	0.0155	0.1515
	(0.0193)	(107.90)	(0.0413)	(0.0389)	(0.0425)	(0.3370)
Age	0.0012***	-8.82***	-0.0075***	-0.0063***	-0.0092***	-0.0763***
	(0.0003)	(1.78)	(0.0007)	(0.0006)	(0.0007)	(0.0055)
Gender	0.0107	30.82	-0.0018	0.0093	-0.0399**	-0.3548***
	(0.0074)	(41.48)	(0.0159)	(0.0149)	(0.0163)	(0.1296)
Average income in 2009	0.0315	40.91	-0.0965*	-0.0152	-0.0288	-0.2023
	(0.0243)	(135.85)	(0.0520)	(0.0489)	(0.0534)	(0.4243)
Proportion of female member	0.0211	-3.64	0.0974**	0.0977**	0.0789*	0.6677*
	(0.0200)	(111.65)	(0.0427)	(0.0402)	(0.0439)	(0.3487)
Household size	0.0012	14.16	0.0030	0.0011	0.0111**	0.0871**
	(0.0021)	(11.53)	(0.0044)	(0.0042)	(0.0045)	(0.0360)
Proportion of children under 15	-0.0086	-27.93	-0.1275**	-0.1083**	-0.2126***	-1.6851***
	(0.0245)	(137.11)	(0.0525)	(0.0494)	(0.0539)	(0.4282)
Proportion of people over 60	-0.0054	-96.86	0.0367	0.0612	-0.0133	-0.1234
	(0.0237)	(132.18)	(0.0506)	(0.0476)	(0.0520)	(0.4128)
Schooling year of household head	0.0007	9.20	0.0056**	0.0054***	0.0024	0.0219
	(0.0010)	(5.84)	(0.0022)	(0.0021)	(0.0023)	(0.0182)
Working hours in 2009	0.0000***	0.45***	-0.0001***	-0.0000***	-0.0001***	-0.0008***
	(0.0000)	(0.02)	(0.0000)	(0.0000)	(0.0000)	(0.0001)
Have labor contract in 2009	0.0066	82.33	0.6200***	0.1472***	0.0450	0.4224
	(0.0168)	(93.85)	(0.0359)	(0.0338)	(0.0369)	(0.2931)
Have health insurance in 2009	0.0117	-3.22	0.0998***	0.5887***	0.0609	0.5532*
	(0.0172)	(96.31)	(0.0369)	(0.0347)	(0.0379)	(0.3008)
Have paid job in 2009	0.0784	229.42	0.2205	0.0595	0.6648***	0.7805
	(0.0725)	(405.31)	(0.1551)	(0.1460)	(0.1595)	(1.2659)
Logarithm of average monthly salary in 2009	-0.0111	-75.66	-0.0280	-0.0068	-0.0166	0.4536***
	(0.0095)	(53.28)	(0.0204)	(0.0192)	(0.0210)	(0.1664)
Dummy variable of ward	Yes	Yes	Yes	Yes	Yes	Yes
Intercept	0.8706***	1.762.48***	0.6167***	0.4123***	0.9244***	7.3102***
	(0.0395)	(220.48)	(0.0844)	(0.0794)	(0.0867)	(0.6886)
Observations	2305	2305	2305	2305	2305	2305
R-square	0.0534	0.2727	0.4872	0.4959	0.4516	0.4625

Standard errors in blanket
* significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent

Qualitative research result show that the policy for exemption and reduction of tuition fee and other expenses given to poor laborers participated in vocational training program helps improve access of the poor to vocational training services by supporting a great proportion of vocational training expenses. Almost households participated in the group discussions shared that if they do not have support from the Government, they would not have their children taking vocational training because the cost is too high in comparison with the household income. Besides, most poor laborers have low academic qualifications so they are not aware of the importance of vocational training. Financial support for vocational training plays an important role as the motivation for poor laborers to participate in vocational training. However, almost households participated in group discussions do not know about the Poverty Reduction Program's support policy for vocational training.

Vocational training support policy has initially helped improve the poor's professional qualification and their capability to access to labor market. According to some out-of-poverty participants in the group discussion, income of laborer having vocational training is higher and more stable than manual labor, which establishes a *foundation for sustainable poverty escape.*

Box 5: Out of poverty thanks to vocational training support

My family has four members; my husband and I are currently unemployed due to economic recession. Sometimes I find some manual temporary works. My daughter is still studying, my family now depends only one my oldest child. In 2009, our family was lucky to have 10 million dong tuition fee support for my son to take vocational training in welding. Currently he is working. His monthly salary is 4.5 million dong. Thanks to him, now our family is out of poverty.

Source: Shared by near-poor citizen from Binh Chanh District, in the group discussion on 28/6/2013 morning.

Analyzing implementation report of Poverty Reduction Program shows that *even though it initially improves the poor's life but currently the impact of vocational training policy is still rather low.* In total number of out-of-poor households in 2010, only 8.5 percent (2159 households) is due to vocational training[18]. In 2012, this number is 3.4 percent, in equivalence to 1023 households out of poverty. It is due to the fact that the vocational training input and output is not closely connected. Currently, field of training offered at vocational training centers is limited; the linkage between these centers and enterprises is still weak. Opportunity cost for vocational training is too high while the output is not guaranteed.

Lending programs for job creation from Fund 71, Fund 156 and Bank for Social Policy has relatively positive impact on the poor's ability to improve their living standard. According to report of the Poverty Reduction Program in 2012, there was 30,042 out-of-poverty households, accounting for 40.5 percent of the total households out-of-poverty due to

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[18] Report on implementation of Poverty Reduction Program in 2010

improve income after borrowing from the lending programs for job creation. However, the impact of this policy on the ability to escape poverty sustainably is still unclear. The quantitative research result has not yet shown the impact of preferential credit programs to the average household income (Table 48, 49 and 50). Many participants in group discussions shared that even though they were able to borrow from the program, the risk of falling back to poverty is still high because small business is precarious and income heavily depends on many factors such as weather.

4.3.3. Difficulties and recommendations

Vocational training could deliver great social impact by improving labor quality and poor labor access to labor market of the poor or near-poor. However, the implementation is currently inefficient due to 2 reasons:

Poor/near-poor household's lack of awareness about the importance of vocational training bounded the effectiveness of vocational training support policy. Due to low academic qualification, poor laborers are often not aware of the vocational training importance. Besides, vocational training period is too long, changes cannot be brought about in a short period of time. Many poor/near-poor laborers dropped training course due to those three reasons. Therefore it is necessary to strengthen the communication activities to raise their awareness about the importance of vocational training.

Fields of training and education quality of vocational training have not yet meet the demand of both poor laborers as well as enterprises. First, infrastructure is deficient and backward, resulting in low quality training as compared with demand of enterprises. Second, vocational schools and enterprises are not well-networked with each other. The linkage between vocational training centers and enterprises is still weak. Meanwhile, field of training provided vocational training centers has been limited and not yet caught up with market trend. Therefore, to improve the vocational training efficiency, there is a need for vocational training centers' infrastructure upgrade and a more suitable job orientation to meet labor market's demand. Besides, the linkage between vocational training centers and enterprises should be strengthened to secure job for post-training laborers.

Preferential credit programs are currently facing two problems related to funding and lending regulations.

First, lending fund for job creation is limited, cannot meet borrowing demand from the poor/near-poor households, especially Fund 71 – the national fund for job creation. In the last three years, additional fund has not yet been allocated to Ho Chi Minh's Fund 71. Therefore, Ho Chi Minh's Fund 71 is able to meet a small part of the growing demand for loan from the city's poor/near-poor households.

Second, there are some inadequate regulations in some lending programs, which lead to low borrowing demand and limited impact on job creation and living standard of the poor/near-poor households. These lending programs include Fund supporting project to employ poor/near-poor laborers and oversea worker lending program. The fund supporting project to employ poor/near-poor laborers cannot attract demand from small businesses is due to its short loan terms and high requirement for the number of additional job created. Meanwhile, the oversea worker lending program only target on poor laborer having demand to work abroad. However, the program's target client can barely meet the program

requirement for lending. These two reasons make the program efficiency relatively low. Therefore, it is necessary to adjust some lending programs' requirements to promote higher efficiency. Particularly, lowering requirement for the number of additional job created to 5 poor laborers and at the same time extending the loan terms are recommended to enhance the small businesses' operational efficiency and ability to repay the debt.

4.4. Healthcare support policy

4.4.1. Access to policy

Health insurance card support for the poor/near-poor households has reached out to a wider base of beneficiaries than other support policy groups. The proportion of poor/ near-poor households that are aware of this policy is relatively high (69.1 percent of poor households having income lower than 8 million dong/person/year; 73.0 percent of poor/near-poor households having income within 8 to 12 million/person/year and 72.8 percent of near-poor households that are aware of this policy).

In general, communication activities about health insurance have a great outreach to its targeted audience but the amount of information these activities provided is rather insufficient. Most of participants in our focused group discussions know the health insurance card support policy and its 80 percent of medical expenses support; however, many do not know about the health insurance' principles and its long-term benefits. Many households believe that health insurance is especially important for the old and sick family members. With that recognition, they refuse to buy health insurance card for the whole family even when receiving support for health insurance card purchase from the government. Urban poverty survey UPS-2009 shows similar results. There are two main reasons the urban poor having no health insurance card due to two reasons, either they find it health insurance card is unnecessary (34.6 percent) or they do not care about health insurance card (25.9 percent).

The communication activities' inefficiency can also be seen in the poor/near-poor households' unawareness of being the policy beneficiaries. While being asked for the reason of not having support for health insurance card, about 66.7 percent of all households having yearly income lower than 8 million VND/capita believe that they are not subject to the policy support (while according to the health insurance card support policy, they will be supported 100 percent of the health insurance card).

Table 34. Access to health insurance card support policy

	Poor households (lower than 8 million VND)	Poor households (8 to 12 million VND)	Near-poor households	Total
percent households are aware of this policy	69.1	73.0	72.8	70.9
	(4.4)	(3.7)	(3.4)	(1.4)
percent households having health insurance card	59.0	62.8	66.2	66.9
	(2.3)	(1.9)	(1.7)	(0.7)
Reasons for not having support to purchase health insurance card				
Not the policy's beneficiary	66.7	51.2	68.6	63.2
	(8.3)	(7.9)	(5.6)	(4.0)
Complicated procedure	9.1	14.6	4.3	8.3

	(5.1)	(5.6)	(2.4)	(2.3)
Do not know procedure	3.0	4.9	4.3	4.2
	(3.0)	(3.4)	(2.4)	(1.7)
Others	15.2	17.1	12.9	14.6
	(6.3)	(6.0)	(4.0)	(3.0)

Standard errors in blanket.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

The ratio of households having access to health insurance card support policy is still low. According to the policy, poor households having yearly income lower than 8 million VND/person/year shall be supported 100 percent costs to purchase health insurance card. The health insurance cards shall be delivered to their house. However, according to the survey results, only 59.0 percent poor households having yearly income lower than 8 million VND/person/year had health insurance. Only 10.0 percent of those received 100 percent support and 12.3 percent received 50 percent support to purchase health insurance card. This phenomenon shows that the monitoring and distributing operation is not yet well-executed.

Results from the urban poor households survey 2013 show that there is only 13.7 percent of poor households and 5.5 percent of near-poor households that heard about the health insurance card support policy but did not participate/ be benefited from the policy, having no demand to be supported. The common reason why poor households received no support from the policy is because they are unaware of this policy. Because of this reason, there is about 70.3 percent heard about the city's support policy for health insurance card purchase but not yet benefited from this policy. The number of households having trouble with procedure related to this policy only account for 16.3 percent.

Table 35. Type of health insurance

	Poor households (lower than 8 million VND)	Poor households (8 to 12 million VND)	Near-poor households	Total
Child under 6 years old	6.7	6.1	4.5	5.6
	(1.5)	(1.2)	(0.94)	(0.68)
100 percent support for the poor	10.1	8.9	3.9	7.1
	(1.8)	(1.4)	(0.87)	(0.76)
50 percent support for the poor/near-poor	12.3	11.5	9.4	10.8
	(2.0)	(1.6)	(1.3)	(0.92)
Health insurance for privileged social groups	4.1	10.5	16.2	11.4
	(1.2)	(1.6)	(1.7)	(0.94)
Voluntary health insurance (including student health insurance)	49.6	38.8	45.6	44.2
	(3.1)	(2.5)	(2.3)	(1.5)
Mandatory health insurance	14.2	22.5	17.2	18.3
	(2.1)	(2.1)	(1.7)	(1.1)
Others	3.0	1.8	3.3	2.7
	(1.0)	(0.67)	(0.81)	(0.48)

Standard errors in blanket.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

The current support level for the poor/near-poor households having yearly income within 8-16 million VND/capita is relatively low (50 percent), resulting in limited access to policy of the poor/near-poor households. As reported from the group discussions, many households cannot afford paying the remaining 50 percent of health insurance cost. A household with average size of 4 members will have to spend about 1 million dong to buy insurance for the whole family, which is a significant expenditure as compared with the household total income. Therefore, poor/near poor households often prioritize buying health insurance for the family's old or sick members. According to the report provided by Ho Chi Minh City Social Insurance Agency, voluntary health insurance coverage of poor households having yearly income between 8 to 12 million is 40.0 percent in 2012. The corresponding ratio of Ho Chi Minh near-poor households in first five months of 2013 is 9.0 percent only.

Support policy of 15 percent health care cost support for the poor is Ho Chi Minh new policy. It was promulgated in Decision No. 36/2012/QD-UBND about additional support policy for the poor and near poor in the period of 2012-2015. Initially, The Health care Fund for the Poor shall support 15 percent of the health care cost for the poor patient coded BHYT-CN having chronic renal failure treatment by dialysis. After Decision No. 36, the fund provides support to all the city poor, so that they can have better access to health care service. However, the ratio of interviewed person knowing about this policy is much lower than that of health insurance card policy. Only 20 percent group discussion participants are aware of this policy. It might be contributed to the fact that the policy is relatively new as compared to the other policies. Besides, communication channel to poor households at local level has not been all updated about this policy. This is drawn by the fact that interviewed Steering Committee for Poverty Reduction's member in 3 Ho Chi Minh districts when being asked about the city's health care support policies only mentioned the health insurance card support policy.

4.4.2. Policy impact

There are many researches on the impact of health insurance in Vietnam. Wagstaff and Pradhan (2005) assessed the impact of health insurance on the poor analyzing data of VHLSS 1993-1998 by difference-in-differences with propensity score matching technique. Their results show that health insurance helps increase the poor access to health care services. Sepehri et. al. (2006) and Wagstaff (2009) suggest that health insurance help the insured reduce treatment expenses. Recently, Nguyen (2012) used VHLSS 2004-2006 to evaluate the impact of voluntary health insurance and the result suggests that health insurance helps increase the insured people's annual outpatient and inpatient visits.

There has not been any impact assessment of health insurance policy on the poor at province level. In this report, the impact assessment also conducted on health insurance policy effect to the poor/near-poor households in Ho Chi Minh City. Data collection on the health care expenses is complicated; therefore Urban Poor households' survey 2013 only collect data of individual health care visit frequency. This study conducts an impact assessment of having health insurance card on the frequency of health center visit when having injuries or health problems. The quantitative result shows that health insurance help improve the poor's access to health care services. The people having health insurance visits

health care centers more frequently than those without health insurance in case of having health problems or injuries.

Impact assessments of health insurance between rural and urban areas, between male and females and by age are also conducted (Table 49 in Annex 3). The impact is no different between urban and rural areas, between male and female. However, health insurance impact increases by age. The older people use health insurance card more frequently.

Table 36. Impact of the health care support policy

Explanatory variables	Often visit health centers when being sick/injured	Occasionally visit health centers when being sick/injured
Health insurance for the poor	0,1645***	0,1004***
	(0,0161)	(0,0194)
Other health insurance	0,0977***	0,0834***
	(0,0111)	(0,0133)
Age	0,0041***	0,0017***
	(0,0003)	(0,0003)
Gender	0,0225**	0,0331***
	(0,0103)	(0,0124)
Average income in 2009	-0,0195	-0,0559
	(0,0329)	(0,0396)
Proportion of female member	-0,0188	-0,0197
	(0,0283)	(0,0340)
Household size	0,0022	-0,0045
	(0,0027)	(0,0033)
Proportion of children under 15	0,0478	0,0116
	(0,0325)	(0,0391)
Proportion of people over 60	0,1007***	0,0256
	(0,0294)	(0,0354)
School year of household head	0,0028**	-0,0038**
	(0,0014)	(0,0017)
Dummy variable of ward	Yes	Yes
Intercept	-0,1423***	0,2141***
	(0,0525)	(0,0632)
Observations	4298	4298
R-square	0,1436	0,0409

Standard errors in blanket
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Results from group discussions of the policy beneficiaries suggest that health insurance have positive impact on the poor's live. The main benefits brought about by health insurance include out-of-pocket money reduction, improved access to health care services and positive change in health-care habit of the poor.

Health insurance and support policy of 15 percent health care expenses help *minimize out-of-pocket money spending for health care of the poor*. According to Vice Director of Ho Chi Minh City Social Insurance Agency, high spending for health care make many out-of-poverty households fall back to poverty. Being supported by these two policies, the poor

households will have to pay only 5 percent of the medical costs. It is especially important to households having individuals suffered chronic disease or high-cost treatment (i.e. running dialysis).

Box 6: Reducing burden of medical treatment expenses using health insurance card

In Quarter 1/2013, Ho Chi Minh City Social Insurance Agency paid 3.8 million dong for 50 patients having highest medical costs. On average, the supported expense for each is 28 million dong – a substantial amount of money, equivalence to two or three times of the income of Ho Chi Minh poor.

Source: In-depth interview with Vice Director of Ho Chi Minh City Social Insurance Agency, on 12/7/2013 morning

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Ho Chi Minh City health care support policies help improve access of the poor/near-poor to health care services and lower the risk related to self-treatment at home. Due to health care expenses barrier, before being supported by health insurance and 15 percent health care expenses, many households tend to have self-treatment at home. Most participants in group discussions said that before having health insurance card, they only visit the pharmacy to buy medicine without any prescription or have self-treatment by applying folk-medicine method. Those informal treatments sometimes make the patient's health worsened, sometimes lead to chronic disease or even death.

Health insurance card support policy brings about changes in the poor's health care habit. Having health insurance card has gradually created a periodic health check habit for the poor/near-poor. Some participants in group discussions shared that since they have health insurance card, they have their health check more frequently even when they just have little trouble with their health such as coughing or fever. They have periodical health check every 6 months. Gradually, they have acknowledged that prevention is better than cure. This attitude not only improves the poor health but also minimize treatment costs (if any).

Besides, the policies also help lower usury rate of the poor/near-poor households. Borrowing money for medical treatment is one of the most common reasons for usury of the poor/near-poor households because the poor have little access to borrow from the formal sources and the procedure to obtain the loan is often too time-consuming. Meanwhile the poor/near-poor households do not often have saving for medical care. Ho Chi Minh health care support policies help reduces 95 percent of the medical treatment cost for the poor.

According to Nguyen et al. (2012), owing health insurance card helps reduce the poverty status of the poor. However, the poor/near-poor households' coverage of health insurance in Ho Chi Minh City is still low. The health insurance coverage of poor households having yearly income between 8 to 12 million is 40.0 percent. This ratio of Ho Chi Minh near-poor households is 9.0 percent only. Therefore, even though the health care support policies have obtain great achievements in raising the poor living standard, *the impact is still limited especially to the poor group having income between 8 to 12 million dong/year and the near-poor group because the health insurance coverage is relatively low for these two groups.* Households that have not yet purchase health insurance for the whole family remains

vulnerable if they encounter health-related risk. Falling back to poverty due to high medical treatment costs is still a common phenomenon.

4.4.3. Difficulties and recommendations

Even though it has obtained great achievements and contributions to Ho Chi Minh City poverty reduction program, there are still difficulties encountered while implementing these policies that need to be overcome in coming periods. *The first is limited recognition about health insurance's principles and long-term benefits.* The poor/near-poor households have not yet understand health insurance's provision principals. Therefore, they often buy voluntary health insurance card for the old or sick members only. Self-treatment is still a common practice. Many people habitually only buy medicine without prescription resulting in worsened health conditions.

Second, support level for health insurance purchase is relatively low as compared to household financial capability. Currently, it is regulated that only household with yearly income lower than 8 million VND/capita will be supported 100 percent health insurance card expenses. Households having yearly income higher than 8 million VND/capita are subject to 50 percent support for health insurance card purchase only. The current yearly fee to buy health insurance card is 567 thousand VND/person, 50 percent support means that each household still have to pay 284 thousand VND to purchase health insurance card for each member. The participants in group discussions said that buying voluntary health insurance card for the whole family is still a financial burden even with 50 percent support from the Government, especially with households having yearly income within 8-12 million VND/capita. Since household income is low, it will be prioritized for other basic needs rather than to buy health insurance card.

Third, health care support policies have not yet taken into account the migrant poor, the most vulnerable group to health-related shock. Most migrant poor is manual labor, which characterized by high occupational accident risk and insufficient income for health care services. Policy making should pay special attention to the migrant poor because the size of this group is relatively large in the whole city population.

Based on information collected in in-depth interview, group discussions and impact analysis, there are some suggestions to promote the efficiency of health care support policies:

First is to enhance communication activities about health insurance principles and long-term benefits. Currently, most communication activities only provide information on financial benefit of health insurance, which is 80 percent claim of health care costs but totally lack of information regarding the risk-sharing principles and long-term benefits of health insurance. Besides, communication channel also need to be updated more often about Ho Chi Minh Poverty Reduction Program policies.

Second, increase support level to purchase health insurance card for the poor/near-poor households to maximize health insurance participation rate of these groups. Currently, only the poorest is supported 100 percent of health insurance card purchase cost. It is necessary to pay more attention to the poor having yearly income within 8 to 12 million VND/capita. Particularly, the Program should support 100 percent of health insurance card purchase expense for the poor (lower than 12 million VND/capita) and support at least 70

percent of health insurance card purchase expense for the near-poor to increase health insurance participation rate of this group.

Third, apply new method to collect health insurance card fee with reference of micro-finance model. Lump-sum payment of health insurance card is relatively too high, especially with the large-size households. Therefore, it is recommended to collect fee by installments of small amount while simultaneously promote communication activities about the long-term benefit of health insurance to boost health insurance coverage. Coordination between line departments, especially Women Union plays an important role because Women Union has considerable experiences working with micro-finance program of VBSP.

4.5. Education support policy

4.5.1. Access to policy

Access to policy of the city poor to education support policy is still limited. Even though results from three group discussions show that all participants are aware of education support policy for the poor/near-poor households. However, survey results of 1002 poor/near-poor households indicate that communication activities about education support policy are not yet efficient. A sizeable proportion of beneficial households is either unaware of the policy or does not know that they are the beneficiaries. Only 66.9 percent of poor households and 56.2 percent of near poor households know about the policies that provide reduction and exemption of tuition fees for poor/near-poor students. On the other hand, 54.3 percent of poor households think that they are not the policy's beneficiary.

Table 37. Access to reduction and exemption of tuition fees policy

	Poor households	Near-poor households	Total
percent households are aware of this policy	66.9	56.2	59.0
	(3.0)	(1.8)	(1.6)
percent students have their tuition fees reduced/exempted	29.3	19.3	21.9
	(3.1)	(1.6)	(1.5)
Reason for not benefiting from this policy			
Not the policy's beneficiary	54.3	75.9	70.9
	(3.7)	(1.7)	(1.6)
Unaware of this policy	28.0	11.0	14.9
	(3.3)	(1.3)	(1.3)
Complicated procedure	7.0	7.8	7.6
	(1.9)	(1.1)	(0.93)
Small amount of money supported	6.5	2.9	3.7
	(1.8)	(0.68)	(0.67)
Average student support in cash (thousand dong)	900	503	645
	(248.2)	(86.8)	(105.2)

Standard errors in blanket.

Source: Result from Urban poor households survey 2013.

According to Urban poor households 2013, poor households have limited access to policy mainly due to the fact that they think that they are not the policy's beneficiary. There

are 78.3 percent of all households that heard about the vocational training policy but did not participate/ be benefited from the policy having demand but cannot access to vocational training policy. 76.3 percent of those households do not acknowledge that they are the policy's beneficiary.

According to some group discussion's participants, complicated procedure and modest support level are the major reasons for many households to disclaim this policy. This led to low ratio of students have their tuition fees reduced/exempted. Only 29.3 percent of the city poor students had their tuition fee reduced or exempted while it is stipulated that 100 percent of poor student are subject to tuition fee reduction or exemption. The average support that a student received in cash is 900 thousand dong/year to poor students and 504 thousand dong/year to near-poor students.

Student loan Program is one of the biggest preferential programs provided by VBSP in terms of funding and the number of supported objects. The Program has extensive coverage and support level which is adequate to the poor/near-poor households' need. According to the survey results, 8.5 percent of poor households and 5.1 percent of near-poor households surveyed have borrowed from this program to continue schooling or have vocational training. The average loan size is 14.1 million VND to the poor and 13.9 million VND to the near-poor. Group discussion participants from poor households said that they have no difficulties accessing the Student loan Program. However, near-poor household participants have no access to this Program because they assumed that this Program does not support the near-poor. This indicates that communication activities are not yet efficient because no participant are know that the Program also supports Students whose families are facing financial difficulties causing by accidents, illness, natural calamities during their learning period.

In addition to State budget, Scholarship Fund of Ho Chi Minh City Association for Education for Promoting Education also plays an important role supporting households in paying non-tuition education costs. This mainly operates based on donation from individuals, firms and organizations. According to Vice President of Ho Chi Minh City Association for Promoting Education, scholarships are granted based on distinct student list provided by local government. This procedure has limited its access to beneficiaries. About 70 percent of distinct students have been approached. Poor benefit package makes many local officials keep finding job opportunities in other places. Labor force for poverty reduction program at local level frequently changes. These changes create a barrier for the Fund to efficiently identify its beneficiaries.

The migrant poor have no access to education support policies. Most of them are unaware of the program. Besides, they are not the policies' beneficiary. Tuition fees reduction and exemption policy and Student loan program only support households having poor household ID. Due to difficulties in migrant labor management at local level, the migrant poor currently have not yet been granted the poor household ID therefore they are not subject to the tuition fee reduction and exemption policy. Meanwhile, the migrant poor have no access to the Scholarship Fund of Ho Chi Minh Association for Promoting Education because the Fund currently only grants scholarship based on distinct student list provided by local government. Due to obstacles in migration management, students from migrant

households too often are not included in the local distinct student list submitted to the Scholarship Fund.

4.5.2. Policy impact

There are some researches about the impact of tuition fee reduction and exemption policy in Viet Nam. Shaffer (2004) using data extracted from VHLSS 2002 found a positive impact of the Poverty Reduction Program's reduction and exemption of tuition fee in Vietnam. Recently, Bui *et al.* (2013) also conducted a research employing panel data of VHLSS 2006-2008 and different in different method to evaluate impact of this policy. The result shows that this policy has no impact on the Kinh group's schooling, but helps increase the enrolment rate of the ethnic minorities young.

Quantitative research about the impact of Ho Chi Minh Poverty Reduction Program's education support policy however has not yet been conducted. In this report, to assess impact of education support policy, regression model analyzing the relationship between students' learning outcomes and whether they received tuition fee reduction and exemption. Table 38 shows the result of our regression model answering the question whether benefiting from this policy since 2009 has any effect on the schooling period of people within the age of 6 to 23 years old. It is unable to measure the impact on enrolment due to inverse correlation, only currently enrolled students receive tuition fee reduction or exemption while drop-out students quit schooling are not supported by this policy. Therefore, student group having tuition fee reduction or exemption are 100 percent going to school.

Two samples were used: currently enrolled students and dropped-out students since 2009. It is found that students receiving tuition fee support in average have 0.2 year schooling higher than the other group at 10 percent and 5 percent statistical significant level. It is noted that R-square is really high due to the fact that age variable is controlled while this variable is closely correlated to number of completed schooling year.

Table 38. Impact of education support policy

Explanatory variables	Number of completed schooling year (current enrolled or drop-out students since 2009)	Number of completed schooling year (current enrolled students)	Number of completed schooling year (drop-out students since 2009)	Number of completed secondary schooling year (current enrolled students)
Tuition fee reduction or exemption	0.209*	0.243**		
	(0.11)	(0.11)		
Preferential credit for education or vocational training			0.19	0.14
			(0.14)	(0.14)
Age	0.675***	0.747***	0.674***	0.747***
	(0.01)	(0.01)	(0.01)	(0.01)
Gender	0.17	0.272**	0.17	0.277**
	(0.11)	(0.11)	(0.11)	(0.11)
Average income in 2009	0.17	0.12	0.14	0.06
	(0.30)	(0.30)	(0.30)	(0.30)
Proportion of female member	(0.08)	(0.35)	(0.09)	(0.36)

Explanatory variables	Number of completed schooling year (current enrolled or drop-out students since 2009)	Number of completed schooling year (current enrolled students)	Number of completed schooling year (drop-out students since 2009)	Number of completed secondary schooling year (current enrolled students)
	(0.31)	(0.32)	(0.31)	(0.32)
Household size	-0.059**	-0.045*	-0.065**	-0.050*
	(0.03)	(0.03)	(0.03)	(0.03)
Proportion of children under 15	-0.820**	(0.45)	-0.737**	(0.36)
	(0.34)	(0.34)	(0.34)	(0.34)
Proportion of people over 60	(0.01)	0.22	(0.09)	0.15
	(0.42)	(0.42)	(0.42)	(0.42)
School year of household head	0.01	(0.01)	0.00	(0.01)
	(0.01)	(0.01)	(0.01)	(0.01)
Dummy variable of ward	Yes	Yes	Yes	Yes
Intercept	-2.183***	-2.897***	-2.071***	-2.790***
	(0.50)	(0.49)	(0.50)	(0.49)
Observations	885.00	715.00	885.00	715.00
R-square	0.89	0.92	0.89	0.92

Standard errors in blanket

* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent

Source: Results from Ho Chi Minh Urban Poverty Survey 2013

The results of group discussions also indicate that *tuition fee reduction or exemption is an important support to encourage school enrolment for poor students*. It is especially important for household having some current enrolled students. Even though support from this policy is not much but it partly assist the household in paying education expenses for their children.

However, this support is insufficient to mitigate education inequality because tuition fee accounts for a small proportion in households' education expenses. Other non-tuition costs for education including purchase of uniform, textbooks, other additional contribution for schools, tuition fee for extra class etc. are relatively substantial, which still impose significant financial burden for poor/near-poor households. These costs become a real barrier for households having many children at the schooling age to send their children to school.

> **Box 7: High non-tuition costs**
>
> My child is studying at 9th grade, in addition to tuition fee which is already exempted; we have to spend 180 thousand VND for her extra fee at school, 160 thousand VND at the beginning of the year for textbook. Other spending for her schooling includes tuition fees for extra class, foreign language class, and uniform purchase. Tuition fee support for the whole year is about 200 thousand VND, only equivalent to one month non-tuition costs we have to pay for her education. My family is currently so difficult, I do not know whether we can afford for her to continue high school.
>
> *Source: Shared by a poor citizen from Thu Duc district, group discussion on 28/06/2012*

Qualitative results show that *the impact of education support policy is relative strong at primary school level and gradually decreases at higher education level.* The explanation given is that non-tuition costs, especially for extra class, get higher at higher education level. To test this result, interactive variables between education support policy, urban/rural areas, age and gender are controlled (Table 50 in Annex 3). Regression results show that impact of the policy is of no difference between urban and rural areas. However, the impact decreases on older students. This result is relatively coherent to qualitative finding about *lower impact at higher education level*. It is also found that the impact on female students is higher than on male students.

To households having their children enrolled at college and university, *Student loan Program is considered to have positive impact in reduce financial burden of households' education cost and facilitate poor students to access high qualification education.* Thanks to the monthly loan to pay tuition fee and living expenses, poor students can focus on studying and increase their opportunities to find a decent job after graduated.

In regression analysis, we also analyze the impact of preferential credit for students on the number of schooling years completed. However, the result is not statistically significant. Interactive variables are also added in the model to determine the impact of this policy on different individual groups (Table 51 Annex 3). The result shows that impact of this policy is higher on urban students. The impact on younger students is higher than older students.

According to Nguyen *et al.* (2012), having higher education degrees leads to higher reduction in the probability of the poverty. Ho Chi Minh education support policies have had positive impact on the poor students to have more schooling year, thus improve the poor's ability for poverty escape. However, the near-poor and migrant poor barely have any access on the city education support policies. Therefore, to achieve its objective in poverty reduction and increase better-off household, it is necessary to support the near-poor and migrant poor to have better access to education.

4.5.3. Difficulties and recommendations

First, tuition fee reduction or exemption accounts for a small part in total education cost of the poor households. Non-tuition costs including extra class tuition fee, textbook, uniform etc increase at higher education levels. Many students dropped out because their family was unable to afford these non-tuition costs. Therefore, support for households should be

increased to minimize households' expense on non-tuition costs through textbook, old uniform donation, fund raising to share financial burden and decrease education cost for poor students.

Second, Scholarship Fund efficiency in accessing right target beneficiaries and fund raising is not yet high. There has not yet had an adequate remuneration for poverty reduction officials at local level to encourage them to endeavor their best for raising fund and determining potential students. This means that their efforts have not yet been well-evaluated and rewarded based on concrete criteria. Therefore, it is necessary to create an adequate remuneration mechanism for local poverty reduction officials, of which individual benefits should depend on poverty reduction achievements.

4.6. Housing support policy

4.6.1. Access to policy

According to Urban poor survey UPS-2009, access to dwellings with proper quality and area is one of the top three deprivations of Ho Chi Minh poor households. To improve the poor's housing condition, Poverty Reduction Program has implemented three programs to upgrade the poor's dwellings. However, the poor/near-poor have limited access to housing support programs. The program has not yet paid much attention to communication activities about housing support programs. When being asked about housing support programs, most participants in group discussions only know two programs namely Program of charity house building and house repair for the poor and Housing loan Program. Resettlement program is a major program but only focus on specific targeted areas thus households living in other areas almost know nothing about this program.

Housing loan program for the poor/near-poor includes two major funding sources: Program 316 of VBSP and Hunger Eradication and Poverty Reduction Fund as stipulated in Decision No. 140/2006/QD-UBND by Ho Chi Minh People's Council dated 22/9/2006. Hunger Eradication and Poverty Reduction Fund supports both the poor/near-poor while Program 316 only supports the poor. Besides, its lending interest rate is lower than that of Program 316, therefore the poor/near-poor households often approach Hunger Eradication and Poverty Reduction Fund for their housing loan. However, access to information about housing loan program is still poor. Only 48.4 percent of poor households are aware of this program. Near-poor households are only subject to funding from the Hunger Eradication and Poverty Reduction and the number of near-poor households knows and benefit from this policy is relatively low as compared to the poor households. Only 36.1 percent of near-poor household are aware of the housing loan program.

Table 39. Access to housing loan program

	Poor households	Near-poor households	Total
percent household know about the program	48,4	36,1	39,2
	(3,2)	(1,8)	(1,6)
percent household participate/benefit from the program	23,0	15,8	18,0
	(3,8)	(2,2)	(2,0)

Reason for not benefiting from the program			
Not the program's beneficiary	57,4	80,3	74,4
	(6,8)	(3,2)	(3,0)
Complicated procedure	11,1	7,0	8,1
	(4,3)	(2,0)	(1,9)
Don't know the procedure	14,8	7,6	9,5
	(4,9)	(2,1)	(2,0)
Other	16,7	5,1	8,1
	(5,1)	(1,8)	(1,9)

* Standard errors in blanket.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Communication activities have not only had low coverage but information provided is also insufficient. Many poor/near-poor households have borrowing demand but they do not know that they are the program beneficiary. Especially, the ratio of poor household believing that they are not the program's beneficiary is considerably lower than that of near-poor households (80.4 percent of near-poor households and 57.4 percent of poor households). This fact shows that communication activities are currently only focus on poor households.

Access to preferential credit for housing purpose is still limited. Only 23.0 percent of poor households and 15.8 percent of near-poor households among those households who know about the housing loan program (equivalence to 11.1 percent and 5.7 percent of surveyed poor and near-poor households respectively) borrowed from the program. About 10.7 percent poor households and 14.3 percent of near-poor households of those who borrowed from the program were not satisfied with the program because their loan acquired is much lower than households' demand for house repair purposes.

Local officials have not yet completely willing to lend the poor because it might lower the payback ratio. Besides, loan term for housing loan is relatively short, from 12 months to 36 months, make it difficult for households to pay-off the debt. Legal barriers also confined the poor/near-poor's access to credit.

Box 8: Difficulties in borrowing due to regulations in Construction Law for Urban housing

Even though demand for house repair purposes is relatively high but there is currently no loan provided in our area because it is regulated that the poor must have land use right certificate in be able to repair their house while the majority of poor household do not have any certificate for the land that they possess.

Source: Steering Committee at Ward 6, District 11

Program of charity house building and house repair for the poor support the poorest households. Charity houses will be built as approved by Ho Chi Minh People's Committee. Funding for this Program is off-budget and mainly operates based on funding from individual, enterprises donation located in the area. Therefore, the Program's support capacity for the poor mainly depends on its mobilization capacity of Fund for the Poor managed by Fatherland Front Committee. Fatherland Front Committee can only mobilize several hundred

billion VND for this Fund each year. Therefore, even though Fund for the Poor play an important role in implementing Program of charity house building and house repair for the poor, funding is much insufficient to meet the poor demand to improve their housing conditions.

According to survey results, the ratio of near-poor households have supports from the Program is fairly low. Only 3 out of 36 households supported by the Program is near-poor household. The number of near-poor households borrowed from the Hunger Eradication and Poverty Reduction only accounts for 13.6 percent. Due to poor access to housing support program, housing conditions of the near-poor have not been improved yet. In-depth interviews with near-poor households also indicate that near-poor households have limited access to housing support policy.

The migrant poor have completely no access to local housing support programs. This partly contributed to the migrant poor's lack of poor ID because it is regulated that only households having poor ID are subject to housing loan support. Some other legal issues such as lack of collateral asset and land use right certificate also are barriers that limit the poor's access to housing support programs.

4.6.2. Policy impact

As presented in impact assessment methodology chapter, to evaluate impact of housing support policies we use regression discontinuity. Dependent variables measuring housing condition including living area, characteristics of roof and solid wall, tap water and septic tank. Program variable is whether household has been supported to fix their house and/or toilet since 2009. Control variables including demographic characteristics, dummy variable of ward (in other words, this is regression model with fixed effect of ward). In the regression results presented here, we would not present ward regression coefficient.

Table 40 presents regression result of housing condition variables on program variable. It is found that the coefficients of program support on housing conditions are positive but not statistically significant. Therefore, the housing support policies have not yet had clear impact on housing conditions. Low support level and coverage probably is the reason why the impact is not clear and strong enough to be measurable.

Table 40. Impact of housing support policy

Explanatory variables	Dependent variables			
	Logarithm of average living area per capita (m2)	Having roof and solid wall	Having tap water	Having septic tank
Received housing support	0.005	-0.054	0.014	0.035
	(0.067)	(0.040)	(0.034)	(0.025)
Average income in 2009	0.611***	0.148**	0.115*	0.038
	(0.124)	(0.075)	(0.063)	(0.046)
Proportion of female member	-0.004	0.090	0.024	0.003
	(0.093)	(0.056)	(0.047)	(0.035)
Household size	-0.113***	0.028***	-0.001	0.007
	(0.012)	(0.007)	(0.006)	(0.005)
Proportion of children under 15	-0.330***	-0.056	0.039	0.029

Explanatory variables	Dependent variables			
	Logarithm of average living area per capita (m2)	Having roof and solid wall	Having tap water	Having septic tank
	(0.122)	(0.074)	(0.063)	(0.046)
Proportion of people over 60	0.416***	0.191***	0.063	0.033
	(0.089)	(0.054)	(0.045)	(0.033)
Schooling year of household head	0.021***	0.012***	0.002	0.004*
	(0.005)	(0.003)	(0.003)	(0.002)
Dummy variable of ward	Yes	Yes	Yes	Yes
Intercept				
	2.331***	-0.137	0.597***	0.880***
Observations	(0.196)	(0.118)	(0.100)	(0.073)
R-square	0.372	0.163	0.642	0.112

Standard errors in blanket
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Even though average impact of housing support policy is not statistically significant, impact on different household groups could be different. In order to analyze whether housing support policies have different impact on urban or rural areas as well as households having different qualification level, we add interactive variable between the program and urban/rural areas and qualification level of the household head. The results are presented in table 52 and 53 in Annex 3. Interactive variables also are statistically insignificant, which means the impact of housing support policies is the same for urban and rural household groups as well as between households at different qualification level.

The program has not yet been able to support the near-poor and migrant poor in improving their housing condition due to lack of access to housing support policies. However, in-depth interview with the poor households shows some positive impact of housing support program on the poor living condition.

Even though having low outreach, *Program of charity house building and house repair for the poor of Fatherland Front Committee play an important role in improving the poor housing and living conditions for its beneficiary.* According to results from in-depth interview with Steering Committee at three districts, the program beneficiaries include household under privileged social groups and the extremely poor households that have no labor for income creation activities. In other words, they barely have any chance to lift themselves out of poverty. If received no support from the Program, they have completely no ability to improve their living and housing conditions. *Support from the Program has indirectly increased these households access to other social security services.* According to group discussion participant, the saving obtained by not paying house repair cost was spent on schooling cost for her children.

The outreach of the housing loan program is relatively low. However, according to opinion of participants from group discussions, *the housing loan program has had positive impact on improving the poor's household, which indirectly helps enhance household members' health.* Thanks to the program loan, many households were able to fix and concretize their houses. Many poor/near-poor households in Ho Chi Minh urban area were

able to improve sanitation and enhance health for the whole family when have conditions to build sanitation toilet by borrowing from Safe water supply and rural sanitation program. *Loan for housing concretization also helps improve households' livelihood.* After having their house repair or concretizing, some households have take advantage of the house to start small business, create income for the family.

However, *loan size is relative low that has partly cushioned housing loan program impact.* According to surveyed result, the average amount each household received is 12.9 million dong, lower than the regulated maximum loan size of 15 million VND. High construction cost in urban area, high inflation rate and rapid housing deterioration make the maximum loan size of 15 million VND too low to meet demand for housing upgrade of poor/near-poor households.

> ***Box 9: Not enough money borrowed from the program to repair house***
>
> In 2009, our house was damaged seriously, the roof was leaking. I borrowed from the housing loan program and they lent me 15 million VND even though our demand for house repair was 50 million VND. Because our house was too old and cannot be repaired by only 15 million VND. We ran out of money while repairing it, so we had to borrow from other sources.
>
> *Source: Shared by a poor citizen from District 4, the group discussion on 27/6/2013 afternoon*

4.6.3. Difficulties and recommendations

Loan size and term are not yet reasonable while procedure and requirements to receive housing support are still fairly complicated. The maximum loan limit at 15 million VND is relatively low as compared with housing repair need of poor/near-poor household. Besides, short loan term is one issue that affects the poor ability to pay-off the debt and consequently create a barrier to household access to the program. Currently, the loan term is between 12 and 36 months, which are too short and unreasonable for the poor to pay-off their debt. It create debt burden for the poor because housing repair is not an investment which can bring about income for the family. Therefore, the amount of loan should be adjusted to meet housing repair need and loan duration should be increased to 5-10 years, to cater to the economic condition of each targeted household.

Regulations from Construction law of urban housing have created a great barrier for the poor/near-poor households to repair their houses because the majority of poor household, especially the migrant poor, do not have any certificate for the land that they possess. Therefore, it is necessary to formulate policy to support the poor/near-poor in obtaining land use right for eligible land.

Lack of coordination between line departments from policy design to implementation phase results in limited access to information and policy. Therefore, it is necessary to build a coordination mechanism to ensure consistency in policy implementation and improve access to support policy of poor/near-poor household.

CHAPTER 5: CONCLUSION AND POLICY IMPLICATIONS

5.1. Summary of main findings

After 5 years of implementation, Poverty Reduction and Increase of Better-off household Program has obtained most objectives set for Phase 3. The fact that poverty rate of the city has declined to 1.2 percent by 09/2013 suggested that the City has already achieved the goal of reducing poverty rate to below 2 percent two years prior to 2015. The implementation of multiple poverty reduction policies has significantly contributed to improving the living standards of poor and near-poor households through enhancing their access to education, health care, housing as well as creating favorable conditions for job creation, livelihood diversification, and income promotion. A number of programs have evidently brought about positive impacts on benefited households such as health care and education policies, which have resulted in improved access to schools, enhancement of academic qualification, improved access to health care, and better health status and living standards.

There remain great challenges to poverty reduction progress, especially with regard to communication activities. The Ho Chi Minh Urban Poor Survey reveals that a high proportion of households are still unaware of available supporting policies that they can be eligible for. The communications of such policies as health care and vocational training policies are constrained to disseminating information on the amount of support under each policy but have yet paid adequate attention to raising beneficiaries' awareness on the important role of health insurance and vocational training in sustaining poverty reduction progress. This has led to misconceptions among poor households regarding the issue of health insurance and vocational training. Specifically, the proportion of poor/near-poor households without demands for vocational training and that of households unaware of vocational training policy are reported noticeably higher than of other policies.

Certain policies provide low level of support; credit policies are not flexible enough to meet specific requirement of different targeted households. This is the main reason resulting in the situation whereby the proportion of poor and near-poor households receiving support remains low and impacts of some policies are not clear. After the issuance of Decision 36/2012/UBNDTP, near-poor households have obtained access to various supporting policies such as loans from the Poverty Reduction Fund or health insurance support. However, if inflation is taken into consideration, these near-poor households would be indeed poor households. These households will be put under disadvantaged situations and encounter severe shocks when they stop receiving support from these programs.

With regard to access to support programs, households have higher access to credit programs than to other programs. Program 316 and Preferential Credits for students implemented by VBSP are two programs with the widest coverage; these programs have made significant contribution to improving poor households' access to education and creating jobs for household businesses. Flexible loan repayment mechanism is seen as a success determinant of these credit programs. However, a small number of credit programs do not have flexible mechanism, which hinders access of a large number of business units to loan. On the other hand, that credit programs are operated by different institutions results in budget segmentation, and overlapping of support programs. The quantitative analysis based on data

from the Urban Poor Survey does not show the impact of credit policies on the welfare of benefited households. This situation can be partly explained by the unavailability of baseline data, making it impossible to evaluate the long term impact of these programs.

Vocational training policies have yet shown its impact. Poor households' access to vocational training support is limited. One of the reasons is low awareness of poor households on the importance of vocational training. In addition, vocational training support policies are unable to create a good linkage between input and output of the labor market. Since the number of households receiving vocational training support is low, our quantitative analysis is unable to produce any statistically significant result with regard to impact of vocational training policies. The credit program for people working overseas is not effective due to limitation in policy mechanism. Meanwhile, the program under Fund 71, despite its positive impacts, faces difficulty in seeking financial resources to meet credit demand of poor and near-poor households.

Health care policies include two main forms of support: *(i)* support for poor and near-poor households to purchase health insurance, and *(ii)* 15 percent health care cost exemption for poor households. Quantitative analysis shows that health insurance has facilitated poor households' access to health care services. People with health insurance including insurance for poor people and other types of insurances visit health care centers more frequently than those without any type of insurance in case of illness or injury. However, the percentage of people with annual income of around 8 to 12 million VND who voluntarily purchase health insurance is relatively low at around 40 percent. While information on the importance of health insurance have reached a wide audience, the content of these communication programs should be enhanced as there remain many beneficiaries without adequate knowledge on the adverse effect of having no health insurance. The inadequate amount of support under this scheme is another reason affecting households' decisions on purchasing health insurance. The program to support 15 percent health care costs whereby only poor households classified by the City's poverty line is not strong enough to ensure sustainable poverty reduction.

Preferential credit program for students is an effective scheme which has improved access to education for members from poor households. The incremental financial resources mobilized for the program every year has fulfilled the needs of poor households for educational purposes. The tuition and construction fee exemption policies play a significant role on promoting poor students' education access, especially among students at primary school ages. Analysis based on the Urban Poor Survey shows that students benefited from fee exemption record complete more classes than those without any fee exemption. However, the impacts tend to decrease at higher grades due to the fact that education cost burden in addition to tuition and school contributions increases and support from these education policies is no longer significant.

Among housing support policies, charity house building and upgrading program for poor households managed by the Vietnam Fatherland Front is regarded as the most effective initiative; the program has successfully reached out to the poorest households. The program is helpful in raising their housing quality as well as living standards. Quantitative analysis finds positive impacts of housing support policies on the living standards of recipients. Accordingly, households receiving support under this scheme to build or upgrade their

houses or toilets report higher average housing area per capita, better access to safe water (tap water) and sanitary toilets (flush toilet) than those without support. However, due to constrained budget, the proportion of households receiving support stays relatively low despite the large number of in-need households; this phenomenon results in statistically insignificant impact on all poor households.

The poverty line is kept constant during the past 5 years while costs and inflation rate have risen by 50 percent. Many households are considered as poor households if their actual income is calculated after deducting the effect of inflation but fall under non-poor category according to the existing poverty line; these households are not eligible for supporting policies, especially health care and education policies which have rigorous impacts on households' sustainable poverty reduction. The urban poor have to encounter multiple shocks, notably high inflation in 2008 and 2011, global economic crisis 2008-2009 and national economic difficulties in 2012. Under this circumstance, policies for poor and near-poor households should be reviewed in a way that ensures better targeting and more appropriate support volume towards sustainable poverty reduction.

As a consequence of rapid urbanization process, migration to Ho Chi Minh City is continuously on the rise. Migrant households account for a large share of the city's total population and the majority of them are poor households. While these households are more vulnerable to economic shocks, they are not eligible for receiving support of the Poverty reduction and Increase of Better-off household Program. There are also many challenges with regard to updating, monitoring and reaching these migrant households since they tend to change their residential or working places. Apart from having similar problems to local poor households such as low capacity in shifting livelihoods, lack of capital, limited access to public services, poor modern amenities, migrant poor people also face other constraints such as high urban living costs and social exclusion, which hinder them from getting access to public services and formal security system.

Although various policies have been introduced within the Poverty reduction and Increase of Better-off household Program, budget for these policies has not been sufficient to cover the needs of poor and near-poor households. Besides, the city's poverty rate is relatively low. If the poverty line is raised and multidimensional poverty reduction approach is applied, more resources should be mobilized to fully obtain the goals of reducing poverty during the next phases.

5.2. Policy implications

Based on findings from the qualitative analysis aforementioned, 9 groups of recommendations are proposed to enhance the efficiency of poverty reduction policies and achieve sustainable poverty reduction.

(i)   Continue support for households who have escaped poverty for at least 2 more years to sustain the progress and mitigate the impacts of shocks caused by the sudden cessation of supports.

As aforementioned, households who have just moved out of poverty with annual income of 12.1 million VND and 16 million VND are eligible for similar supporting policies. Meanwhile poor households can benefit from approximately 30 supporting policies for indefinite terms. There is a common situation when many households do not have motivation to escape poverty while those who have already been out of poverty fall into poverty again as they lack adequate support. It is the inequity in the mechanism in supporting poor and near-poor households that holds back the poverty reduction progress.

(ii)   Review the poverty line and develop multidimensional poverty approach in order to accurately identify the urban poverty context

The current poverty line is significantly lower than its actual value since the cost of living has rapidly increased during the past 5 years. Decrease in the city's poverty rate is partly ascribed to the current poverty line which is indeed lower than that in 2009 due to inflation. Therefore, it is vital that an updated poverty line is introduced to ensure the actual reflection of the minimum income which is able to cover the basic needs. Ho Chi Minh City has already proposed to apply a new poverty line of 16 million VND/person/year. However the one-dimensional approach to poverty should be changed to multidimensional approach to cover more aspects such as education, health care and housing, etc. This would contribute to the development of a comprehensive database on multiple dimensions based on which policies for specific groups of poor households can be recommended.

(iii)   Respective policies for specific groups of poor and near-poor households should be developed in a manner that is commensurate with their particular characteristics and contexts and moves towards multidimensional approach

More efforts should be made in classifying poor and near-poor households in order to develop respective policies for specific groups. For instance, for households without working capacity, support should be given in indefinite terms. For those who have working capacity, support in vocational training to meet the labor market's demands should be highlighted. To avoid overlapping in the implementation of poverty reduction policies and ensure effective accountability, the respective roles and responsibilities of agencies and departments should be clearly defined. For households who are not chronically poor, the duration and conditions of support should be determined to avoid households' complacency. Continued support for households who have escaped poverty for at least 2 more years to mitigate the impacts of shocks caused by the sudden cessation of supports is also important.

(iv)   Review and adjust credit policies to better target beneficiaries and determine more appropriate loan limits, requirements and terms for specific purposes

Credit policies have made great contributions to reducing poverty. However, there remain some problems regarding the lending mechanism such as the determination of beneficiaries, loan limits and terms. Specifically, beneficiaries of credit policies for students are limited while there are still a large number of students in need of loans to cover their education costs. The credit policies targeted people who plan to work overseas only has limited coverage which results in the small number of lending requests. The strict requirements of some programs limits access of many needy people/units. Most notably, loans under the Poverty Reduction Fund are granted to household businesses provided that they can create a minimum of 10 new jobs, which leads to low wages and difficulties in attracting employees. Therefore, revising current credit policies to better serve different borrowing demands is crucial. It is also necessary to mobilize capital from ineffective programs such as the program targeted people to work overseas to other more effective programs.

(v)   Review the collaborating mechanism between different agencies and departments in implementing credit and housing policies

Weak coordination between different agencies and departments has led to overlapping and low effectiveness of policy implementation process. In housing policies, Department of Construction is responsible for implementing housing policies for low income households and resettlement program while the Fatherland Front takes charge of charity house building program. With regard to credit policies, the Poverty Reduction Fund and Program 316 both target similar beneficiaries but are independently operated. At the local level, No available record on different operated funds (both domestic and international) leads to the overlapping in the implementation of credit programs, especially microfinance programs.

(vi)   Create attractive compensation for poverty reduction program officer and VBSP staffs at all levels. Pay more attention to training as well as integrate the benefits of such officers with the benefits of poverty reduction

Human resource plays a key role in every organization and becomes more important in the poverty reduction process. It is vital to integrate the benefits of poverty reduction with the benefits of poverty program officers since these officers are accountable for identifying and supporting beneficiaries. One of the main reasons leading to high level of cash balance of the Poverty Reduction Fund is its limited human resource .While the need for loans among poor households is high, that incompetent officers cannot actively allocate loans to needy people results in high level of cash balance. Besides, the large number of numerous organizations managing different support programs has led to overlapping and difficulties in supervising implementation progress. Therefore, it is important to provide reasonable compensation for poverty reduction officers. These officers can be selected from the Women's Union and the Fatherland Front who have deep understanding of their locality and been directly involved in implementing support policies for the poor. A suitable compensation package will be able to avoid the movement of officers to other localities and increase the effectiveness of poverty reduction policy implementation.

(vii)   To increase the efficiency of vocational training policy through creating orientation, connecting labor demand and supply, as well as increase poor laborers' awareness of the importance of vocational training

Creating jobs for workers after they complete vocational training is a big challenge. The number of fields offered by vocational training centers at district level remains poor while enterprise engagement has not received due attention. The situation has brought workers of poor households into a difficult situation as the opportunity cost of vocational training is high while a stable job is not secured. In addition, due to low educational level, poor households have not fully recognized the important role of vocational training. Therefore, it is necessary to promote communication activities on raising awareness about the importance of vocational training as well as to collaborate with enterprises to identify the demand of the labor market, based on which training curriculum should be revised.

(viii)   Move towards a new health insurance fee collecting scheme which integrates microfinance model with communications on the benefits of health care

The proportion of people voluntarily purchase health insurance is still quite low, which is partly due to a fact that the fee paid at once is high. Given a households of many members, the cost can climb to up some millions a year. Therefore, allowing households to pay in installments instead of paying at once and implementing communication activities on health insurance's benefits will increase voluntary purchase of health insurance. The support of agencies and departments at different levels is crucial, especially of the Women's Union who has already gained rich experience in VBSP credit programs. In addition, it is recommended to provide 100 percent health insurance fee exemption to poor households with income from 8 to 12 million VND and 70 percent fee deduction for near poor households so as to enhance their access to health insurance scheme.

(ix)   Support policies for migrant poor households

Migrant poor households have emerged as a big concern in urban poverty. Income of these households is on average 80 percent that of local poor households while they have to encounter higher living costs in urban city; difficulties in social integration makes it hard for the migrants to gain access to public services and official social security system. That these migrant households are ineligible for support has led to poverty shift and a rise in social criminals. Therefore, it is necessary that the city designs and implements appropriate policies that are inclusive of migrant households.

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Annex: Regression analysis table

Table 41. Impact of preferential credit policy on housing: including interactive variables between lending policy and urban variable

Explanatory variables	Having roof and concrete wall	Having tap water	Having septic tank toilet	Consumed electric used in kwh/month	Logarithm of average income 2013
Received Preferential credit	-0,047	0,002	0,008	10,62	-0,021
	(0,044)	(0,037)	(0,027)	(14,63)	(0,081)
Urban * Received preferential credit	0,008	-0,004	0,007	-10,58	0,052
	(0,052)	(0,044)	(0,032)	(17,19)	(0,096)
Average income in 2009	0,136*	0,113*	0,042	96,19***	0,253*
	(0,075)	(0,064)	(0,047)	(24,84)	(0,138)
Proportion of female member	0,094*	0,024	0,002	28,79	-0,118
	(0,056)	(0,047)	(0,035)	(18,46)	(0,103)
Household size	0,028***	-0,001	0,007	25,58***	-0,012
	(0,007)	(0,006)	(0,005)	(2,42)	(0,013)
Proportion of children under 15	-0,058	0,038	0,029	23,99	-0,640***
	(0,074)	(0,063)	(0,046)	(24,37)	(0,136)
Proportion of people over 60	0,172***	0,063	0,039	4,19	-0,523***
	(0,055)	(0,046)	(0,034)	(18,00)	(0,101)
Schooling year of household head	0,012***	0,002	0,003*	3,10***	0,016***
	(0,003)	(0,003)	(0,002)	(1,08)	(0,006)
Intercept	-0,121	0,602***	0,878***	15,93	7,020***
	(0,119)	(0,101)	(0,074)	(39,24)	(0,219)
Observations	1002	1002	1002	973	995
R-square	0,164	0,642	0,111	0,25	0,138

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 42. Impact of preferential credit policy on housing: including interactive variables between lending policy and academic qualification variable

Explanatory variables	Having roof and concrete wall	Having tap water	Having septic tank toilet	Consumed electric used in kwh/month	Logarithm of average income 2013
Received Preferential credit	-0,033	0,047	-0,029	26,68	0,149
	(0,066)	(0,056)	(0,041)	(21,89)	(0,121)
Schooling year of household head *					
Received Preferential credit	-0,001	-0,005	0,004	-2,35	-0,013
	(0,006)	(0,005)	(0,004)	(2,03)	(0,011)
Average income in 2009	0,135*	0,113*	0,041	96,69***	0,250*
	(0,075)	(0,064)	(0,047)	(24,80)	(0,138)
Proportion of female member	0,094*	0,025	0,001	29,33	-0,117
	(0,056)	(0,047)	(0,035)	(18,45)	(0,103)
Household size	0,028***	-0,001	0,007	25,51***	-0,012
	(0,007)	(0,006)	(0,005)	(2,41)	(0,013)
Proportion of children under 15	-0,058	0,040	0,027	24,72	-0,636***
	(0,074)	(0,063)	(0,046)	(24,36)	(0,136)
Proportion of people over 60	0,172***	0,066	0,036	5,49	-0,514***
	(0,055)	(0,047)	(0,034)	(18,03)	(0,101)
Schooling year of household head	0,013***	0,004	0,002	4,13***	0,022***
	(0,004)	(0,004)	(0,003)	(1,41)	(0,008)
Intercept	-0,124	0,581***	0,897***	4,35	6,971***
	(0,122)	(0,103)	(0,075)	(40,06)	(0,224)
Observations	1002	1002	1002	973	995
R-square	0,164	0,642	0,112	0,25	0,139

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 43. Impact of preferential credit policies on employment: including interactive variables between preferential credit policies and urban variables

Explanatory variables	Employed in 2013	Working hour in 2013	Having labor contract in 2013	Having health insurance card in 2013	Having paid job in 2013	Logarithm of average monthly salary in 2013
Received Preferential credit	-0,0007	3,75	0,0396	0,0241	-0,0130	-0,0955
	(0,0140)	(78,10)	(0,0299)	(0,0281)	(0,0307)	(0,2438)
Urban * Received preferential credit	0,0068	10,01	-0,0235	-0,0187	-0,0040	-0,0404
	(0,0163)	(91,23)	(0,0349)	(0,0328)	(0,0359)	(0,2848)
Age	0,0011***	-9,10***	-0,0076***	-0,0063***	-0,0093***	-0,0767***
	(0,0003)	(1,76)	(0,0007)	(0,0006)	(0,0007)	(0,0055)
Gender	0,0100	27,20	-0,0028	0,0088	-0,0398**	-0,3541***
	(0,0074)	(41,47)	(0,0159)	(0,0149)	(0,0163)	(0,1294)
Average income in 2009	0,0331	43,22	-0,0890*	-0,0121	-0,0356	-0,2572
	(0,0245)	(136,98)	(0,0524)	(0,0493)	(0,0539)	(0,4276)
Proportion of female member	0,0211	-3,17	0,0956**	0,0967**	0,0798*	0,6745*
	(0,0200)	(111,76)	(0,0427)	(0,0402)	(0,0439)	(0,3489)
Household size	0,0011	13,65	0,0029	0,0010	0,0111**	0,0872**
	(0,0021)	(11,54)	(0,0044)	(0,0042)	(0,0045)	(0,0360)
Proportion of children under 15	-0,0089	-31,46	-0,1265**	-0,1081**	-0,2148***	-1,7037***
	(0,0245)	(137,21)	(0,0525)	(0,0494)	(0,0540)	(0,4283)
Proportion of people over 60	-0,0037	-92,61	0,0456	0,0653	-0,0199	-0,1750
	(0,0239)	(133,32)	(0,0510)	(0,0480)	(0,0524)	(0,4162)
Schooling year of household head	0,0008	9,87*	0,0055**	0,0054***	0,0026	0,0237
	(0,0010)	(5,82)	(0,0022)	(0,0021)	(0,0023)	(0,0182)
Number of working hours in 2009	0,0000***	0,45***	-0,0001***	-0,0000***	-0,0001***	-0,0008***
	(0,0000)	(0,02)	(0,0000)	(0,0000)	(0,0000)	(0,0001)
Having labor contract in2009	0,0078	87,60	0,6211***	0,1475***	0,0446	0,4195
	(0,0168)	(93,93)	(0,0359)	(0,0338)	(0,0369)	(0,2932)
Having health insurance in 2009	0,0100	-11,49	0,0990***	0,5885***	0,0606	0,5496*
	(0,0172)	(96,30)	(0,0368)	(0,0347)	(0,0379)	(0,3006)
Having paid job in2009	0,0787	233,38	0,2212	0,0603	0,6665***	0,7954
	(0,0726)	(405,55)	(0,1551)	(0,1460)	(0,1595)	(1,2660)
Logarithm of average monthly salary2009	-0,0111	-76,32	-0,0281	-0,0070	-0,0168	0,4517***
	(0,0095)	(53,31)	(0,0204)	(0,0192)	(0,0210)	(0,1664)
Intercept	0,8678***	1,764,67***	0,6042***	0,4084***	0,9409***	7,4446***
	(0,0401)	(224,11)	(0,0857)	(0,0807)	(0,0881)	(0,6996)
Observations	2305	2305	2305	2305	2305	2305
R-square	0,0531	0,27	0,4877	0,4960	0,4518	0,4626

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 44. Impact of preferential credit policies on employment: including interactive variables between lending programs and age

Explanatory variables	Employed in 2013	Working hour in 2013	Having labor contract in 2013	Having health insurance card in 2013	Having paid job in 2013	Logarithm of average monthly salary in 2013
Received Preferential credit	-0,0051	-119,69	0,0333	-0,0096	-0,0696	-0,5686
	(0,0230)	(128,81)	(0,0493)	(0,0464)	(0,0506)	(0,4021)
Age * Received preferential credit	0,0002	3,40	-0,0003	0,0005	0,0014	0,0116
	(0,0006)	(3,18)	(0,0012)	(0,0011)	(0,0012)	(0,0099)
Age	0,0010**	-10,87***	-0,0075***	-0,0066***	-0,0100***	-0,0826***
	(0,0004)	(2,41)	(0,0009)	(0,0009)	(0,0009)	(0,0075)
Gender	0,0101	27,29	-0,0031	0,0086	-0,0398**	-0,3547***
	(0,0074)	(41,44)	(0,0159)	(0,0149)	(0,0163)	(0,1294)
Average income in 2009	0,0326	40,78	-0,0878*	-0,0116	-0,0363	-0,2622
	(0,0245)	(136,90)	(0,0524)	(0,0493)	(0,0538)	(0,4273)
Proportion of female member	0,0210	-2,39	0,0962**	0,0973**	0,0803*	0,6791*
	(0,0200)	(111,71)	(0,0427)	(0,0402)	(0,0439)	(0,3487)
Household size	0,0011	13,49	0,0028	0,0009	0,0111**	0,0864**
	(0,0021)	(11,53)	(0,0044)	(0,0042)	(0,0045)	(0,0360)
Proportion of children under 15	-0,0090	-32,64	-0,1261**	-0,1080**	-0,2152***	-1,7068***
	(0,0245)	(137,17)	(0,0525)	(0,0494)	(0,0539)	(0,4282)
Proportion of people over 60	-0,0035	-88,93	0,0455	0,0661	-0,0183	-0,1619
	(0,0239)	(133,33)	(0,0510)	(0,0480)	(0,0524)	(0,4162)
Schooling year of household head	0,0007	9,66*	0,0056**	0,0054**	0,0025	0,0230
	(0,0010)	(5,83)	(0,0022)	(0,0021)	(0,0023)	(0,0182)
Number of working hours in 2009	0,0000***	0,45***	-0,0001***	-0,0000***	-0,0001***	-0,0008***
	(0,0000)	(0,02)	(0,0000)	(0,0000)	(0,0000)	(0,0001)
Having labor contract in2009	0,0077	88,93	0,6218***	0,1485***	0,0455	0,4270
	(0,0168)	(93,85)	(0,0359)	(0,0338)	(0,0369)	(0,2929)
Having health insurance in 2009	0,0102	-13,07	0,0980***	0,5873***	0,0595	0,5404*
	(0,0172)	(96,18)	(0,0368)	(0,0346)	(0,0378)	(0,3002)
Having paid job in2009	0,0779	217,99	0,2214	0,0570	0,6598***	0,7397
	(0,0726)	(405,70)	(0,1552)	(0,1461)	(0,1595)	(1,2664)
Logarithm of average monthly salary2009	-0,0110	-74,32	-0,0281	-0,0066	-0,0159	0,4589***
	(0,0095)	(53,33)	(0,0204)	(0,0192)	(0,0210)	(0,1665)
Intercept	0,8744***	1,841,08***	0,5934***	0,4161***	0,9706***	7,6890***
	(0,0418)	(233,85)	(0,0895)	(0,0842)	(0,0919)	(0,7300)
Observations	2305	2305	2305	2305	2305	2305
R-square	0,0531	0,27	0,4876	0,4960	0,4521	0,4630

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 45. Impact of preferential credit policies on employment: including interactive variables between lending programs and gender

Explanatory variables	Employed in 2013	Working hour in 2013	Having labor contract in 2013	Having health insurance card in 2013	Having paid job in 2013	Logarithm of average monthly salary in 2013
Received Preferential credit	0,0131	91,76*	0,0264	0,0096	0,0027	0,0143
	(0,0099)	(55,08)	(0,0211)	(0,0199)	(0,0217)	(0,1721)
Age * Received preferential credit	-0,0190	-171,23**	-0,0083	0,0019	-0,0394	-0,2950
	(0,0139)	(77,46)	(0,0297)	(0,0279)	(0,0305)	(0,2420)
Age	0,0011***	-9,16***	-0,0076***	-0,0063***	-0,0093***	-0,0767***
	(0,0003)	(1,76)	(0,0007)	(0,0006)	(0,0007)	(0,0055)
Gender	0,0196*	113,50**	0,0010	0,0076	-0,0200	-0,2061
	(0,0102)	(56,87)	(0,0218)	(0,0205)	(0,0224)	(0,1777)
Average income in 2009	0,0333	47,67	-0,0877*	-0,0113	-0,0343	-0,2470
	(0,0245)	(136,79)	(0,0524)	(0,0493)	(0,0538)	(0,4273)
Proportion of female member	0,0208	-5,20	0,0962**	0,0972**	0,0795*	0,6725*
	(0,0200)	(111,62)	(0,0427)	(0,0402)	(0,0439)	(0,3487)
Household size	0,0010	13,19	0,0028	0,0010	0,0110**	0,0862**
	(0,0021)	(11,52)	(0,0044)	(0,0042)	(0,0045)	(0,0360)
Proportion of children under 15	-0,0088	-30,03	-0,1261**	-0,1079**	-0,2144***	-1,7005***
	(0,0245)	(137,06)	(0,0525)	(0,0494)	(0,0539)	(0,4282)
Proportion of people over 60	-0,0040	-95,60	0,0457	0,0655	-0,0205	-0,1797
	(0,0238)	(133,18)	(0,0510)	(0,0480)	(0,0524)	(0,4161)
Schooling year of household head	0,0008	9,80*	0,0056**	0,0054***	0,0026	0,0236
	(0,0010)	(5,82)	(0,0022)	(0,0021)	(0,0023)	(0,0182)
Number of working hours in 2009	0,0000***	0,45***	-0,0001***	-0,0000***	-0,0001***	-0,0008***
	(0,0000)	(0,02)	(0,0000)	(0,0000)	(0,0000)	(0,0001)
Having labor contract in2009	0,0076	87,72	0,6220***	0,1482***	0,0449	0,4220
	(0,0168)	(93,76)	(0,0359)	(0,0338)	(0,0369)	(0,2929)
Having health insurance in 2009	0,0098	-16,25	0,0975***	0,5877***	0,0592	0,5384*
	(0,0172)	(96,11)	(0,0368)	(0,0346)	(0,0378)	(0,3002)
Having paid job in2009	0,0750	197,78	0,2184	0,0599	0,6581***	0,7314
	(0,0726)	(405,42)	(0,1552)	(0,1461)	(0,1595)	(1,2665)
Logarithm of average monthly salary2009	-0,0107	-72,16	-0,0278	-0,0069	-0,0158	0,4592***
	(0,0095)	(53,28)	(0,0204)	(0,0192)	(0,0210)	(0,1665)
Intercept	0,8646***	1.726,06***	0,5975***	0,4051***	0,9307***	7,3665***
	(0,0401)	(223,87)	(0,0857)	(0,0807)	(0,0881)	(0,6994)
Observations	2305	2305	2305	2305	2305	2305
R-square	0,0538	0,27	0,4876	0,4960	0,4522	0,4630

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 46. Impact of vocational training on employment: including interactive variables between vocational training policyand urban area

Explanatory variables	Employed in 2013	Working hour in 2013	Having labor contract in 2013	Having health insurance card in 2013	Having paid job in 2013	Logarithm of average monthly salary in 2013
Having vocational training	0,0009	109,07	0,0577	0,0251	-0,0046	0,0081
	(0,0283)	(158,11)	(0,0605)	(0,0569)	(0,0622)	(0,4938)
Urban * Participated in vocational training	0,0388	50,30	-0,0555	-0,0160	0,0370	0,2633
	(0,0380)	(212,17)	(0,0812)	(0,0764)	(0,0835)	(0,6627)
Age	0,0012***	-8,82***	-0,0075***	-0,0063***	-0,0092***	-0,0763***
	(0,0003)	(1,78)	(0,0007)	(0,0006)	(0,0007)	(0,0055)
Gender	0,0109	31,07	-0,0021	0,0092	-0,0398**	-0,3535***
	(0,0074)	(41,51)	(0,0159)	(0,0149)	(0,0163)	(0,1296)
Average income in 2009	0,0315	40,91	-0,0965*	-0,0152	-0,0288	-0,2023
	(0,0243)	(135,88)	(0,0520)	(0,0489)	(0,0535)	(0,4244)
Proportion of female member	0,0211	-3,55	0,0973**	0,0976**	0,0790*	0,6682*
	(0,0200)	(111,68)	(0,0427)	(0,0402)	(0,0439)	(0,3488)
Household size	0,0012	14,15	0,0030	0,0011	0,0111**	0,0871**
	(0,0021)	(11,53)	(0,0044)	(0,0042)	(0,0045)	(0,0360)
Proportion of children under 15	-0,0090	-28,42	-0,1270**	-0,1082**	-0,2130***	-1,6877***
	(0,0245)	(137,16)	(0,0525)	(0,0494)	(0,0540)	(0,4284)
Proportion of people over 60	-0,0065	-98,25	0,0382	0,0617	-0,0144	-0,1307
	(0,0237)	(132,34)	(0,0506)	(0,0477)	(0,0521)	(0,4133)
Schooling year of household head	0,0007	9,27	0,0055**	0,0054**	0,0024	0,0223
	(0,0010)	(5,85)	(0,0022)	(0,0021)	(0,0023)	(0,0183)
Number of working hours in 2009	0,0000***	0,45***	-0,0001***	-0,0000***	-0,0001***	-0,0008***
	(0,0000)	(0,02)	(0,0000)	(0,0000)	(0,0000)	(0,0001)
Having labor contract in2009	0,0069	82,72	0,6196***	0,1470***	0,0453	0,4244
	(0,0168)	(93,88)	(0,0359)	(0,0338)	(0,0369)	(0,2932)
Having health insurance in 2009	0,0114	-3,57	0,1002***	0,5888***	0,0606	0,5514*
	(0,0172)	(96,34)	(0,0369)	(0,0347)	(0,0379)	(0,3009)
Having paid job in2009	0,0765	226,88	0,2233	0,0603	0,6630***	0,7672
	(0,0725)	(405,54)	(0,1552)	(0,1461)	(0,1595)	(1,2666)
Logarithm of average monthly salary2009	-0,0108	-75,35	-0,0283	-0,0069	-0,0163	0,4553***
	(0,0095)	(53,31)	(0,0204)	(0,0192)	(0,0210)	(0,1665)
Intercept	0,8698***	1,761,4***	0,6178***	0,4126***	0,9236***	7,3047***
	(0,0395)	(220,58)	(0,0844)	(0,0794)	(0,0868)	(0,6889)
Observations	2305	2305	2305	2305	2305	2305
R-square	0,0539	0,27	0,4873	0,4959	0,4516	0,4625

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 47. Impact of vocational training policy on employment: including interactive variables between vocational training policyand age

Explanatory variables	Employed in 2013	Working hour in 2013	Having labor contract in 2013	Having health insurance card in 2013	Having paid job in 2013	Logarithm of average monthly salary in 2013
Having vocational training	0,0440	281,03	0,1759	0,1844	0,4123***	2,9896**
	(0,0679)	(379,24)	(0,1451)	(0,1365)	(0,1489)	(1,1828)
Age * Participated in vocational training	-0,0007	-4,91	-0,0050	-0,0057	-0,0135***	-0,0965**
	(0,0022)	(12,36)	(0,0047)	(0,0044)	(0,0049)	(0,0385)
Age	0,0012***	-8,75***	-0,0075***	-0,0062***	-0,0091***	-0,0750***
	(0,0003)	(1,79)	(0,0007)	(0,0006)	(0,0007)	(0,0056)
Gender	0,0108	31,08	-0,0015	0,0096	-0,0392**	-0,3497***
	(0,0074)	(41,50)	(0,0159)	(0,0149)	(0,0163)	(0,1294)
Average income in 2009	0,0320	44,19	-0,0931*	-0,0114	-0,0198	-0,1379
	(0,0244)	(136,13)	(0,0521)	(0,0490)	(0,0535)	(0,4246)
Proportion of female member	0,0211	-3,47	0,0975**	0,0979**	0,0794*	0,6711*
	(0,0200)	(111,67)	(0,0427)	(0,0402)	(0,0439)	(0,3483)
Household size	0,0012	14,06	0,0029	0,0009	0,0109**	0,0852**
	(0,0021)	(11,54)	(0,0044)	(0,0042)	(0,0045)	(0,0360)
	-0,0083	-25,74	-0,1253**	-0,1058**	-0,2066***	-1,6422***
Proportion of children under 15	(0,0246)	(137,25)	(0,0525)	(0,0494)	(0,0539)	(0,4281)
	-0,0053	-96,18	0,0374	0,0620	-0,0115	-0,1101
Proportion of people over 60	(0,0237)	(132,22)	(0,0506)	(0,0476)	(0,0519)	(0,4124)
Schooling year of household head	0,0007	9,22	0,0056**	0,0054***	0,0024	0,0222
	(0,0010)	(5,84)	(0,0022)	(0,0021)	(0,0023)	(0,0182)
Number of working hours in 2009	0,0000***	0,45***	-0,0001***	-0,0000***	-0,0001***	-0,0008***
	(0,0000)	(0,02)	(0,0000)	(0,0000)	(0,0000)	(0,0001)
	0,0068	83,32	0,6210***	0,1483***	0,0478	0,4419
Having labor contract in2009	(0,0168)	(93,90)	(0,0359)	(0,0338)	(0,0369)	(0,2929)
Having health insurance in 2009	0,0114	-4,99	0,0980***	0,5867***	0,0560	0,5185*
	(0,0173)	(96,43)	(0,0369)	(0,0347)	(0,0379)	(0,3008)
Having paid job in2009	0,0785	229,49	0,2205	0,0596	0,6650***	0,7820
	(0,0725)	(405,39)	(0,1551)	(0,1460)	(0,1592)	(1,2644)
Logarithm of average monthly salary2009	-0,0111	-75,55	-0,0278	-0,0067	-0,0163	0,4558***
	(0,0095)	(53,29)	(0,0204)	(0,0192)	(0,0209)	(0,1662)
Intercept	0,8695***	1,755,5***	0,6095***	0,4042***	0,9053***	7,1733***
	(0,0396)	(221,22)	(0,0846)	(0,0797)	(0,0869)	(0,6900)
Observations	2305	2305	2305	2305	2305	2305
R-square	0,0535	0,27	0,4875	0,4963	0,4534	0,4640

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 48. Impact of vocational training policy on employment: including interactive variables between vocational training policyand gender

Explanatory variables	Employed in 2013	Working hour in 2013	Having labor contract in 2013	Having health insurance card in 2013	Having paid job in 2013	Logarithm of average monthly salary in 2013
Having vocational training	0,0404*	163,18	0,0891*	0,0239	0,0133	0,1619
	(0,0231)	(129,06)	(0,0493)	(0,0465)	(0,0508)	(0,4031)
Female * Participated in vocational training	-0,0591	-85,85	-0,1981**	-0,0243	0,0072	-0,0334
	(0,0407)	(227,38)	(0,0869)	(0,0819)	(0,0895)	(0,7102)
Age	0,0012***	-8,82***	-0,0075***	-0,0063***	-0,0092***	-0,0763***
	(0,0003)	(1,78)	(0,0007)	(0,0006)	(0,0007)	(0,0055)
Gender	0,0124*	33,32	0,0040	0,0100	-0,0401**	-0,3538***
	(0,0075)	(42,02)	(0,0161)	(0,0151)	(0,0165)	(0,1312)
Average income in 2009	0,0318	41,29	-0,0956*	-0,0151	-0,0288	-0,2021
	(0,0243)	(135,88)	(0,0519)	(0,0489)	(0,0535)	(0,4244)
Proportion of female member	0,0227	-1,27	0,1028**	0,0983**	0,0787*	0,6686*
	(0,0200)	(111,85)	(0,0428)	(0,0403)	(0,0440)	(0,3493)
Household size	0,0011	14,07	0,0028	0,0010	0,0111**	0,0871**
	(0,0021)	(11,54)	(0,0044)	(0,0042)	(0,0045)	(0,0360)
Proportion of children under 15	-0,0083	-27,54	-0,1266**	-0,1082**	-0,2126***	-1,6849***
	(0,0245)	(137,15)	(0,0524)	(0,0494)	(0,0540)	(0,4283)
Proportion of people over 60	-0,0064	-98,41	0,0331	0,0608	-0,0132	-0,1240
	(0,0237)	(132,27)	(0,0506)	(0,0476)	(0,0520)	(0,4131)
Schooling year of household head	0,0006	9,15	0,0055**	0,0054**	0,0024	0,0218
	(0,0010)	(5,84)	(0,0022)	(0,0021)	(0,0023)	(0,0183)
Number of working hours in 2009	0,0000***	0,45***	-0,0001***	-0,0000***	-0,0001***	-0,0008***
	(0,0000)	(0,02)	(0,0000)	(0,0000)	(0,0000)	(0,0001)
Having labor contract in2009	0,0075	83,52	0,6228***	0,1475***	0,0449	0,4228
	(0,0168)	(93,92)	(0,0359)	(0,0338)	(0,0369)	(0,2933)
Having health insurance in 2009	0,0110	-4,21	0,0975***	0,5884***	0,0610	0,5528*
	(0,0172)	(96,37)	(0,0368)	(0,0347)	(0,0379)	(0,3010)
Having paid job in2009	0,0772	227,65	0,2164	0,0590	0,6650***	0,7798
	(0,0725)	(405,42)	(0,1550)	(0,1460)	(0,1595)	(1,2663)
Logarithm of average monthly salary2009	-0,0109	-75,39	-0,0273	-0,0068	-0,0166	0,4537***
	(0,0095)	(53,30)	(0,0204)	(0,0192)	(0,0210)	(0,1665)
Intercept	0,8689***	1.760,02***	0,6110***	0,4116***	0,9246***	7,3092***
	(0,0395)	(220,62)	(0,0843)	(0,0795)	(0,0868)	(0,6891)
Observations	2305	2305	2305	2305	2305	2305
R-square	0,0543	0,27	0,4884	0,4959	0,4516	0,4625

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 49. Impact of health insurance policy on the poor: including interactive variables between health insurance for the poor and other variables

Explanatory variables	Often have medical check when having health trouble	Occasionally have medical check when having health trouble	Often have medical check when having health trouble	Occasionally have medical check when having health trouble	Often have medical check when having health trouble	Occasionally have medical check when having health trouble
Health insurance for the poor	0,2057***	0,0550	0,0858**	0,0842*	0,1550***	0,1214***
	(0,0309)	(0,0372)	(0,0406)	(0,0489)	(0,0224)	(0,0270)
Urban * Health insurance for the poor	-0,0526	0,0579				
	(0,0337)	(0,0405)				
Age * Health insurance for the poor			0,0015**	0,0003		
			(0,0007)	(0,0009)		
Female* Health insurance for the poor					0,0166	-0,0370
					(0,0276)	(0,0332)
Other health insurance	0,0982***	0,0828***	0,0961***	0,0830***	0,0978***	0,0833***
	(0,0111)	(0,0133)	(0,0111)	(0,0133)	(0,0111)	(0,0133)
Age	0,0041***	0,0017***	0,0039***	0,0016***	0,0041***	0,0017***
	(0,0003)	(0,0003)	(0,0003)	(0,0004)	(0,0003)	(0,0003)
Gender	0,0224**	0,0332***	0,0222**	0,0331***	0,0202*	0,0382***
	(0,0103)	(0,0124)	(0,0103)	(0,0124)	(0,0110)	(0,0132)
Average income in 2009	-0,0189	-0,0566	-0,0212	-0,0563	-0,0199	-0,0550
	(0,0329)	(0,0396)	(0,0329)	(0,0396)	(0,0329)	(0,0396)
Proportion of female member	-0,0197	-0,0188	-0,0203	-0,0200	-0,0189	-0,0196
	(0,0283)	(0,0340)	(0,0283)	(0,0340)	(0,0283)	(0,0340)
Household size	0,0022	-0,0044	0,0022	-0,0045	0,0022	-0,0045
	(0,0027)	(0,0033)	(0,0027)	(0,0033)	(0,0027)	(0,0033)
Proportion of children under 15	0,0490	0,0102	0,0428	0,0105	0,0476	0,0119
	(0,0325)	(0,0391)	(0,0325)	(0,0392)	(0,0325)	(0,0391)
Proportion of people over 60	0,0968***	0,0298	0,0938***	0,0242	0,1008***	0,0252
	(0,0295)	(0,0355)	(0,0296)	(0,0356)	(0,0294)	(0,0354)
Schooling year of household head	0,0027*	-0,0038**	0,0029**	-0,0038**	0,0028**	-0,0039**
	(0,0014)	(0,0017)	(0,0014)	(0,0017)	(0,0014)	(0,0017)
Intercept	-0,1412***	0,2129***	-0,1310**	0,2164***	-0,1407***	0,2106***
	(0,0525)	(0,0632)	(0,0527)	(0,0635)	(0,0526)	(0,0632)
Observations	4298	4298	4298	4298	4298	4298
R-square	0,1441	0,0413	0,1445	0,0409	0,1436	0,0411

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 50. Impact of education support policy: including interactive variables between education support policy and other variables

Explanatory variables	Number of completed schooling year (current enrolled or drop-out students since 2009)	Number of completed schooling year (current enrolled students)	Number of completed schooling year (drop-out students since 2009)	Number of completed secondary schooling year (current enrolled students)	Number of completed schooling year (current enrolled or drop-out students since 2009)	Number of completed schooling year (current enrolled students)
Tuition fee reduction and exemption	-0,010	0,108	1,158***	0,990***	0,030	0,026
	(0,205)	(0,228)	(0,362)	(0,364)	(0,150)	(0,157)
Urban * Tuition fee reduction and exemption	0,305	0,179				
	(0,242)	(0,262)				
Age * Tuition fee reduction and exemption			-0,061***	-0,052**		
			(0,022)	(0,024)		
Female * Tuition fee reduction and exemption					0,353*	0,414**
					(0,204)	(0,209)
Age	0,675***	0,747***	0,684***	0,754***	0,675***	0,747***
	(0,012)	(0,012)	(0,012)	(0,013)	(0,012)	(0,012)
Gender	0,170	0,271**	0,161	0,261**	0,082	0,179
	(0,112)	(0,114)	(0,112)	(0,114)	(0,123)	(0,123)
Average income in 2009	0,167	0,121	0,201	0,120	0,183	0,127
	(0,304)	(0,299)	(0,303)	(0,298)	(0,303)	(0,298)
Proportion of female member	-0,047	-0,328	-0,073	-0,340	-0,095	-0,371
	(0,315)	(0,323)	(0,312)	(0,321)	(0,313)	(0,321)
Household size	-0,058**	-0,044*	-0,060**	-0,047*	-0,058**	-0,046*
	(0,027)	(0,027)	(0,027)	(0,027)	(0,027)	(0,027)
Proportion of children under 15	-0,845**	-0,462	-0,922***	-0,537	-0,836**	-0,460
	(0,337)	(0,338)	(0,337)	(0,338)	(0,336)	(0,336)
Proportion of people over 60	0,034	0,230	0,045	0,259	0,003	0,251
	(0,422)	(0,418)	(0,419)	(0,417)	(0,420)	(0,417)
Schooling year of household head	0,006	-0,013	0,005	-0,013	0,008	-0,011
	(0,013)	(0,014)	(0,013)	(0,013)	(0,013)	(0,014)
Intercept	-2,216***	-2,915***	-2,297***	-2,955***	-2,161***	-2,869***
	(0,503)	(0,488)	(0,502)	(0,487)	(0,502)	(0,487)
Observations	885	715	885	715	885	715
R-square	0,892	0,919	0,893	0,919	0,892	0,919

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 51. Impact of preferential credit for vocational training: including interactive variables between preferential credit and other variables

Explanatory variables	Number of completed schooling year (current enrolled or drop-out students since 2009)	Number of completed schooling year (current enrolled students)	Number of completed schooling year (drop-out students since 2009)	Number of completed secondary schooling year (current enrolled students)	Number of completed schooling year (current enrolled or drop-out students since 2009)	Number of completed schooling year (current enrolled students)
Received preferential credit	-0,213	-0,164	1,607***	1,679***	0,265	0,321
	(0,230)	(0,261)	(0,507)	(0,490)	(0,196)	(0,205)
Urban * preferential credit	0,599**	0,409				
	(0,274)	(0,298)				
Age* preferential credit			-0,080***	-0,093***		
			(0,028)	(0,028)		
Female* preferential credit					-0,128	-0,314
					(0,250)	(0,256)
Age	0,674***	0,747***	0,686***	0,761***	0,674***	0,747***
	(0,012)	(0,012)	(0,012)	(0,013)	(0,012)	(0,012)
Gender	0,163	0,269**	0,157	0,264**	0,190	0,318***
	(0,112)	(0,114)	(0,112)	(0,113)	(0,118)	(0,119)
Average income in 2009	0,146	0,057	0,180	0,100	0,139	0,049
	(0,303)	(0,298)	(0,302)	(0,297)	(0,304)	(0,298)
Proportion of female member	-0,051	-0,329	-0,039	-0,307	-0,078	-0,342
	(0,314)	(0,324)	(0,313)	(0,321)	(0,315)	(0,323)
Household size	-0,067**	-0,050*	-0,070***	-0,056**	-0,065**	-0,050*
	(0,027)	(0,027)	(0,027)	(0,027)	(0,027)	(0,027)
Proportion of children under 15	-0,771**	-0,396	-0,619*	-0,247	-0,742**	-0,363
	(0,338)	(0,341)	(0,339)	(0,339)	(0,339)	(0,340)
Proportion of people over 60	-0,109	0,120	-0,047	0,143	-0,091	0,143
	(0,420)	(0,418)	(0,419)	(0,415)	(0,421)	(0,418)
Schooling year of household head	0,003	-0,015	0,002	-0,016	0,004	-0,014
	(0,014)	(0,014)	(0,014)	(0,014)	(0,014)	(0,014)
Intercept	-2,065***	-2,777***	-2,279***	-2,997***	-2,075***	-2,812***
	(0,500)	(0,486)	(0,504)	(0,487)	(0,501)	(0,487)
Observations	885	715	885	715	885	715
R-square	0,892	0,918	0,893	0,919	0,892	0,918

Standard errors in blanket.

* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.

Regression model have controlled dummy ward variables.

Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 52. Impact of housing support policy: including interactive variables between support policy and urban area

Explanatory variables	Logarithm of average living area (m2)	Having roof and concrete wall	Having tap water	Having septic tank toilet	Consumed electric used in kwh/month
Received housing support policy	-0,025	-0,007	0,024	0,046	-21,24
	(0,095)	(0,057)	(0,048)	(0,035)	(19,48)
Urban * Received housing support policy	0,059	-0,095	-0,022	-0,023	7,62
	(0,134)	(0,081)	(0,069)	(0,050)	(27,02)
Average income in 2009	0,612***	0,148**	0,115*	0,038	94,05***
	(0,124)	(0,075)	(0,063)	(0,046)	(24,59)
Proportion of female member	-0,006	0,093*	0,025	0,004	28,88
	(0,093)	(0,056)	(0,047)	(0,035)	(18,45)
Household size	-0,113***	0,027***	-0,001	0,007	25,62***
	(0,012)	(0,007)	(0,006)	(0,005)	(2,41)
Proportion of children under 15	-0,332***	-0,054	0,040	0,030	22,68
	(0,122)	(0,074)	(0,063)	(0,046)	(24,36)
Proportion of people over 60	0,415***	0,193***	0,063	0,033	2,92
	(0,089)	(0,054)	(0,046)	(0,033)	(17,66)
Schooling year of household head	0,021***	0,012***	0,002	0,004*	3,06***
	(0,005)	(0,003)	(0,003)	(0,002)	(1,08)
Intercept	2,327***	-0,131	0,599***	0,882***	20,62
	(0,196)	(0,118)	(0,100)	(0,073)	(38,84)
Observations	1002	1002	1002	1002	1002
R-square	0,372	0,165	0,642	0,112	0,25

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013

Table 53. Impact of housing support policy: including interactive variables between support policy and Schooling year of household head

Explanatory variables	Logarithm of average living area (m2)	Having roof and concrete wall	Having tap water	Having septic tank toilet	Consumed electric used in kwh/month
Received housing support policy	-0,005	0,110	0,067	0,016	18,82
	(0,181)	(0,109)	(0,093)	(0,068)	(36,34)
Schooling year of household head *	0,001	-0,018	-0,006	0,002	-4,02
Received housing support policy	(0,019)	(0,011)	(0,010)	(0,007)	(3,76)
Average income in 2009	0,611***	0,149**	0,115*	0,038	94,00***
	(0,124)	(0,075)	(0,063)	(0,046)	(24,57)
Proportion of female member	-0,004	0,087	0,023	0,003	28,33
	(0,093)	(0,056)	(0,047)	(0,035)	(18,43)
Household size	-0,113***	0,027***	-0,001	0,007	25,48***
	(0,012)	(0,007)	(0,006)	(0,005)	(2,41)
Proportion of children under 15	-0,330***	-0,056	0,039	0,029	22,88
	(0,122)	(0,074)	(0,063)	(0,046)	(24,33)
Proportion of people over 60	0,416***	0,193***	0,064	0,032	3,60
	(0,089)	(0,054)	(0,046)	(0,033)	(17,65)
Schooling year of household head	0,020***	0,014***	0,002	0,003	3,41***
	(0,006)	(0,003)	(0,003)	(0,002)	(1,13)
Intercept	2,331***	-0,139	0,597***	0,880***	20,89
	(0,196)	(0,118)	(0,100)	(0,073)	(38,80)
Observations	1002	1002	1002	1002	1002
R-square	0,372	0,166	0,642	0,112	0,26

Standard errors in blanket.
* Significant level is at 10 percent; ** significant level is at 5 percent; *** significant level is at 1 percent.
Regression model have controlled dummy ward variables.
Source: Results from Ho Chi Minh Urban Poverty Survey 2013