

POVERTY REDUCTION IN RELATION TO GREEN GROWTH IN VIET NAM

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Abbreviation

CBT	Community-based tourism
GGSI	Green Growth Statistical Indicators
GSO	General Statistics Office
HCMC	Ho Chi Minh City
M&E	Monitoring and evaluation
MLS	Minimum living standard
MOLISA	Ministry of Labour – Invalids and Social Affairs
MPI	Multidimensional Poverty Index
MPL	Multidimensional poverty line
MPM	Mutidimensional Poverty Measures
NRD	New rural development
NTP	National target programs
PWD	Persons with disabilities
SDG	Sustainable Development Goal
SPR	Sustainable poverty reduction
UN	United Nations
VAE	Viet Nam Association of the Elderly
VHLSS	Viet Nam Household Living Standard Survey
WB	World Bank

Limitations and disclaimer

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1. Background

Ending poverty remains a major global challenge. Today, nearly 700 million people worldwide live in extreme poverty, living on less than \$2.15 a day (World Bank [WB], 2024). After decades of poverty reduction efforts, a period of overlapping shocks and crises significantly slowed the progress of poverty reduction in many countries between 2020 and 2022, of which Viet Nam was no exception. Poverty remains among the critical issues that the government needs to address. As a dynamic lower-middle-income country amid a socio-economic transformation, Viet Nam faces many challenges to achieve its goal of becoming an upper-middle-income country by 2030 and a high-income country by 2045 in the context of economic transformation and climate change, and global crisis responses.

Aware of the multidimensional dimensions of poverty and the importance of poverty reduction, support for populations with high poverty rates has been markedly reflected in the policy priorities of the Vietnamese government. In addition to development agendas that emphasize the importance of equilibrating economic growth and environmental sustainability, policies to effectively address poverty and inequality are also prioritized and implemented by the government.

Poverty reduction – a priority policy issue

The Vietnamese government has always emphasized that comprehensive poverty reduction and improvement of living standards are urgent priorities and strategic tasks to ensure the rapid and sustainable development of the country. The government has made many commitments at the national, regional and global levels on hunger eradication and poverty reduction in the context of the green and low-emission economic transition. In the Socio-Economic Development Plan 2021–2025, there are three national target programs (NTPs) aimed at improving socio-economic lives of individuals, households and areas (poor, rural, and ethnic minorities). One of the key policy solutions in the past decade is the NTP for Sustainable Poverty Reduction Plan (SPR), which sets out specific roadmaps, goals and tasks for the implementation of multidimensional, inclusive and sustainable poverty reduction.

The 2021-2025 NTP for SPR was approved by the Prime Minister in Decision No. 90/QĐ-TTg on 18/01/2022. The program has 07 component projects, including: (1) Project on Investment Support for Socio-Economic Infrastructure Development in Poor Districts and Communes with Extreme Difficulties in Non-Deltaic Coasts and Islands; (2) Project on Diversification of Livelihoods, Development of Poverty Reduction Models; (3) Project on Support for Production Development and Nutrition Improvement; (4) Project on Development of Vocational Education and Sustainable Employment; (5)

Project on Housing Support for Poor and Near-Poor Households in Poor Districts; (6) Project on Information and Reduction of Poverty in Communication; (7) Project on Capacity Building and Program Monitoring and Evaluation (M&E).

To provide the basis for measuring and monitoring the population's poverty status and identifying beneficiaries of poverty reduction and social security policies and the NTP for SPR, the National Multidimensional Poverty Line (MPL) for 2022-2025 was specified in Decree No. 07/2021/ND-CP, issued on 27/01/2021 by the Government, to include two criteria: i) Income; and ii) level of basic social service deprivation.

In Resolution No. 42-NQ/TW dated November 24, 2023, the Party Central Committee has set the goal by 2030 to "Improve diverse, multi-tiered, comprehensive, modern, inclusive and sustainable social protection policies; creating opportunities for the people, *especially the poor*, people in difficult circumstances, and people living in areas with extremely difficult socio-economic conditions, to access basic social services, especially in health, education, housing, and information."

In 2024, Viet Nam joined *the Global Alliance Against Hunger and Poverty*, an initiative that provides hunger eradication and poverty reduction support to member states through the sharing of experiences on policy instruments and resource mobilization. Herewith, Viet Nam made three commitments: (1) to support the implementation of policy instruments and programs at the country level, including by the promotion of shared learning and public-private resource mobilization; (2) to improve and/or scale up the implementation of policy instruments and programs from the Alliance's policy basket in its national context adapted to specific conditions and opportunities; and (3) to observe good practices throughout the implementation of such policy instruments and programs with social involvement and consultation and local stakeholder engagement, to minimize negative impacts (Viet Nam Statements of Commitment for the Global Alliance against Hunger and Poverty, 2024).

Poverty Reduction and Sustainable Development

Sustainable development has been and will continue to be an important goal of Viet Nam. Green growth with a close, reasonable and harmonious combination of socio-economic development and environmental protection is the premise to achieve this goal.

On October 1, 2021, the Prime Minister issued Decision No. 1658/QĐ-TTg to approve the *National Green Growth Strategy 2021-2030, vision to 2050* to contribute to promoting the economic restructuring linked to the innovation of the growth model; achieving economic

prosperity, environmental sustainability and social equality; and striving towards green and carbon-neutral economy and reducing global warming. To implement this Strategy, the Prime Minister issued the 2021-2030 National Green Growth Action Plan in Decision No. 882/QĐ-TTg dated 22/07/2022, which assigns specific tasks to ministries, agencies and local governments and establishes the timeframe for implementation and resource mobilization.

Viet Nam has achieved impressive results in poverty reduction regardless of its method of measurement, contributing to accelerating its progress towards **Sustainable Development Goal (SDG) 1 – Ending poverty in all its forms everywhere** - the principal goal of NTP for SPR (Ministry of Planning and Trade, 2023). The multidimensional poverty rate has decreased continuously and significantly from 9.2% in 2016 to about 2.4% in 2024 (General Statistics Office [GSO], 2018; GSO, 2025). Poverty reduction takes place evenly throughout urban and rural areas and socio-economic regions, in which rural areas and the Northern Midlands and Mountains have the fastest decline rates. Viet Nam's efforts in multidimensional poverty reduction contribute to not only SDG 1 but also other goals to ensure social protection, strengthen equality, and improve resilience.

Specifically, this result is achieved through the effective implementation of comprehensive poverty reduction mechanisms and policies, the expansion of productive employment and *the improvement of social services and social protection systems* (Target 1.2 of Viet Nam). Viet Nam also focuses on *ensuring that the poor and vulnerable have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services* (Target 1.4 of Viet Nam).

Notably, Viet Nam has *built the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters* (Target 1.5 of Viet Nam) through investment in infrastructure, timely support for affected people, and stable population placement in disaster areas.

However, the impact of the COVID-19 pandemic, climate change, natural disasters (e.g. storms and floods) have posed many challenges to poverty reduction.

In addition, Viet Nam's MPL is closely and directly linked to many other SDGs and indicators, specifically:

- **SDG 3:** Ensure healthy lives and promote well-being for all at all ages (linked to health indicators: health insurance, child malnutrition)
- **SDG 4:** Ensure inclusive and equitable quality education and promote lifelong learning opportunities

for all (linked to education indicators: completion of secondary education and school net enrolment rate)

- **SDG 6:** Ensure availability and sustainable management of water and sanitation for all (linked to indicators on clean water and hygienic latrines)
- **SDG 8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (linked to employment indicators: unemployment rate and full and productive employment)
- **SDG 10:** Reduce inequality within and among countries: monitoring multidimensional poverty helps identify vulnerable and multidimensionally deprived populations, thereby helping the government to develop more targeted policies.

Challenges for sustainable poverty reduction in Viet Nam

Poverty is closely linked to the threats of climate change.

Climate change also threatens to increase global inequality, as poorer countries and people are more likely to be disproportionately affected. Millions of poor people are living in areas susceptible to floods, cyclones, droughts, extreme heat or other extreme weather events due to the impact of climate change. Typically, Typhoon Yagi in 2024 has caused extensive damage to people and property, increased risks and vulnerabilities of the poor and negatively impacted poverty reduction in Viet Nam. Rebuilding infrastructure and supporting people to recover their livelihoods in the aftermath requires large resources over a long period, slowing down the progress of SPR goals (United Nations Development Programme [UNDP], 2024). Therefore, prioritization and urgent implementation of policies to improve the livelihoods of the poor is important to address the critical needs at present and create a solid foundation that significantly reduces the threats of climate change in the future, contributing to the realization of SDG Target 1.4 on building resilience for the poor and vulnerable.

The poor are facing new vulnerabilities (job loss, job transition, loss of livelihood etc.) in the context of the

Vietnamese government's strong commitment to a green and carbon-neutral economic transition. This requires poverty reduction policies and the NTP for SPR to be considered and evaluated in suitability and cohesion with the context of green growth and sustainable development, and to be further improved to enhance their impact and effectiveness.

This context requires poverty reduction measures in Viet Nam to maintain the upward momentum of economic growth, sustainably lift people out of poverty, and improve economic security in the context of emerging risks and challenges of climate change and global crises. This report will analyze several issues in poverty reduction in 2021-2025, thereby providing assessments of the MPL and the 2021-2025 NTP for SPR and international experiences on poverty reduction associated with green growth and sustainable development.

2. Some issues in poverty reduction in Viet Nam

2.1 Multidimensional poverty line

a) About the multidimensional poverty line

This report refers to Viet Nam's 2022-2025 MPL specified in Decree No. 07/2021/ND-CP, including two criteria:

Income

- Rural areas: 1.500.000 VND/person/month.
- Urban areas: 2.000.000 VND/person/month.

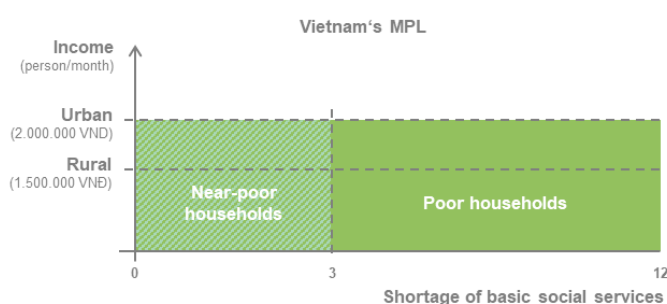
Level of basic social service deprivation

- Basic social services (06 services), including: employment; health; education; housing; water and sanitation; and information.
- Indicators measuring the level of basic social service deprivation (12 indicators), including: employment; dependents; nutrition; health insurance; adult education level; children's school attendance; housing quality; housing area per capita; domestic water sources; hygienic latrines; use of telecommunications services; means of access to information (Appendix 1)

Poor household standard

- Rural areas: Households with a per capita income of VND 1.500.000 or less per month and a deprivation of 03 or more indicators for the level of basic social service deprivation.
- Urban areas: Households with a per capita income of VND 2.000.000 or less per month and a deprivation of 03 or more indicators for the level of basic social service deprivation.

Figure 1: Viet Nam's MPL



Source: Decree No. 07/2021/ND-CP (2021)

Alkire-Foster Method

Viet Nam uses the Alkire-Foster method for multidimensional poverty measurement due to its simplicity and popularity. The method by Sabina Alkire and James Foster has attracted great attention from the international community due to its simple way of measuring and ranking multidimensional poverty (Alkire & Foster, 2011). This method has been applied in the analysis of multidimensional poverty in many countries and the Human Development Report and has particularly

aided the inclusion of multidimensional poverty in legislation, socio-economic development plans, and policy programs of several countries.

As of June 2024, 63 countries – including Viet Nam – and 20 regional agencies and international organizations are participants in the Global Multidimensional Poverty Network – a network that uses the Alkire-Forster methodology for multidimensional poverty measurement (Centre for Economic Research and Reforms & UNDP, 2024). A multidimensional approach to poverty is based on human rights, the right to social protection, and meeting basic human needs. Indicators are designed to be specific, measurable, and reflective of the provision of basic needs (especially when collecting large data), prioritizing indicators on accessibility and affordability of services. Simultaneously, the indicators need to be flexible and feasible in terms of resources and implementation and be policy oriented.

b) Assessment of the multidimensional poverty line for 2022-2025

The 2022-2025 MPL is essentially the 2021-2025 MPL but, due to COVID-19, was not applied until 2022. The new MPL was designed to inherit the advantages and overcome the limitations of the previous 2016-2020 MPL, specifically as follows:

Assessment of income criterion

Regarding the calculation method, the income criteria of Viet Nam's 2022-2025 MPL are determined based on data on the minimum living standard (MLS) of the population in 2018. MLS is the level of income that guarantees to cover all material and non-material needs to ensure physical and mental health. Simply put, MLS is the value of essential food and non-food items to ensure the minimum daily needs of a person. MLS includes consumer demand for food and non-food items, in which the criterion for determining the volume of essential food items in MLS is the number of calories that these items provide for people to have a normal physical and mental condition. MLS in 2018 was calculated from expenditure data in the Viet Nam Household Living Standards Survey (VHLSS) conducted by GSO according to the Cost of Basic Need (CBN) method. The income criterion of Viet Nam's 2022-2025 MPL was calculated by multiplying the value of MLS in 2018 by the consumer price index (CPI) of the years from 2018 to 2021. Every year from 2022 to 2025, the income criterion is updated with the CPI of the corresponding year to ensure the actual value.

Compared to the previous period, income criterion in Viet Nam's 2022-2025 MPL has progressed. While the income criterion of the 2018-2020 MPL was only 70% of the population's poverty limit, the criterion for 2022-2025 is determined by the MLS, based on reliable data from GSO's VHLSS and in line with the international monetary poverty line.

However, the income criterion for 2022-2025 still has some limitations. The income criterion in Viet Nam's 2022-2025 MPL was calculated from 2018. Although the CPI had been updated to ensure the actual value of MLS in the year of measurement, the expenditure trend of 2018 (before the COVID-19 pandemic) and the trend from 2022 onward (the normal period after the COVID-19 pandemic) had stark differences. Therefore, the MLS does not truly reflect the 2022-2025 expenditure trend.

Collecting indirect information on demographics, living conditions, and assets to estimate income¹ produces larger error margins than collecting direct income data, as conducted by GSO. The survey results² revealed some limitations in the indirect method of estimating income in localities. Specifically:

- *The scoring method does not properly reflect the household income in households with significant income or cash flows from remote/overseas workers.* While these households do not focus on purchasing assets or improving living/housing conditions, money from remote or overseas workers is among their main sources of income, especially in provinces with many overseas workers (e.g. Nghe An).
- *The scoring in the non-agricultural employment index does not reflect the reality:* households with people working as civil servants and public employees have lower scores than waged and contract workers.
- *The "Automobile" index* in asset evaluation indicators is unsuitable for poor households but holds a significant weighted value.
- *The scoring in the indicator for evaluating the number of working-age people does not properly reflect the reality between geographical regions.* Increasing the number of workers helps to alleviate poverty in all regions; however, distinct from other regions, the corresponding score does not increase in the Northern Midlands and Central Highlands.
- *The scoring in the "Household size" indicator has shortcomings:* single households get higher scores (90-125), but in fact, many elderly single-person households are the poorest households, especially in developed delta countryside and urban areas.
- *Some scales of the "Land" indicator are still unreasonable:* for example, the water surface area over 5000m² in the Southeast equates 0 points; production of forest land that generates income in the

Northern Central, Central Coast, and some other regions does not have points.

Assessment of basic social service criterion

The criterion for basic social services in Viet Nam's 2022-2025 MPL has some novelties. Compared to the previous period, the basic social service criterion in Viet Nam's 2022-2025 MPL have included more basic and necessary social services. Specifically:

- Introducing 1 new basic social service (dimension), "Employment" that includes 2 indicators: (1) **"Employment"** (households with at least one unemployed person (people of working age who are able to work or are willing to work but cannot find a job); or have a waged job without a labor contract); (2) **"Dependents in the household"** (households with a proportion of dependents in the total population greater than 50%). The addition of the Employment dimension ensures the right to work, career choice, employment, and workplace specified in the Constitution, the Law on Employment, and the Labor Code. Employment is an important dimension that reflects the ability to generate sustainable income and conditions to ensure the stability of people's lives.
- Amended and supplemented indicators to measure the level of basic social service deprivation that are more progressive and closer to the international MPL:
 - o Replace the "Access to health services" indicator with the "Nutrition" indicator
 - o Adjust the content of the indicators "Adult education level", "Children's school attendance status", "Housing quality", "Domestic water source", "Use of telecommunications services" and "Means of information access" to ensure that they are more in line with reality (see Appendix 3).
- For example, with the education index, instead of focusing solely on school attendance, the new benchmark has been adjusted to consider the level of educational completion, reflecting the quality and outcomes of the educational process. Or health indicators that focus more on access to health insurance and child malnutrition rates, which are important factors that affect health and quality of life. In particular, a number of indicators in the Set of Green Growth Statistical Indicators (GGSI)s³ have been mentioned in Viet Nam's 2021-2025 MPL

¹ As specified in Circular No. 07/2021/TT-BLDTBXH, issued July 18, 2021, to provide the methodological guide for surveying and classifying poor and near-poor households; and determining the income of households engaged in agriculture, forestry, fishery and salt industry with an average living standard for 2022 – 2025 with report templates

² Results of survey and consultation (October 2024) with representatives of relevant provincial agencies including the Department of Labour, Invalids and Social Affairs (DOLISA), Department of Planning and Investment, Department of Agriculture and

Rural Development (DARD), Department of Health, Department of Information and Communications, Women's Union, and representatives of district- and commune-level agencies (2 districts and 2 communes per province/city), combined with visits to poverty reduction models in 3 provinces/cities of Hai Phong, Lao Cai and Nghe An implemented from August-October 2024.

³ Circular No. 10/2023/TT-BKHDT issued November 01, 2023 by the Ministry of Planning and Investment

related to clean water, hygienic latrines, temporary houses, health insurance, malnutrition, and average income.

The criterion for basic social services for 2022-2025 still has some shortcomings. The basic social service criterion still lacks indicators related to green growth and sustainable development to ensure that the MPL is more appropriate and cohesive with the context of green growth and new requirements of sustainable development and climate change mitigation and response. The current criterion lacks direct indicators to measure access to or quality of the environment, or to assess the sustainable use of natural resources among poor households (e.g. renewable energy use and waste management). This shows a gap in an important aspect of sustainable development (i.e. quality-living environment and sustainable use of resources), which is fundamental to the long-term health, livelihoods and well-being of people, especially the poor, who are vulnerable to the impacts of climate change.

The MPL is the main tool for tracking progress towards SDG1 and poverty reduction as defined by each country. MPL indicators look at many other aspects of life such as health, education, housing, and access to basic social services. MPL indicators help advance the 2030 Agenda by enabling policymakers to coordinate comprehensive, multisectoral policies and monitor the impact of policies on the poor. Therefore, the national MPL must be designed to closely align with the SDGs.

In reality, the implementation of information collection on basic social services in localities has revealed certain limitations. According to the results of quick survey and consultations with representatives of relevant agencies at the provincial level⁴:

- *The "Health Insurance" indicator* has inconsistent data and is unreflective of the exact deprivation in the locality due to different interpretations of whether State-sponsored health insurance support is counted or not (poor households who are provided with health insurance are still considered to be deprived).
- *The "Hygienic latrines" indicator* is difficult to determine in the locality. Local officials (e.g. in Nghe An) have difficulty distinguishing "hygienic" toilets according to professional standards (septic, semi-septic, permeable, improved with ventilation pipes, pits with seats, two compartments).
- *The "Employment" indicator*: Local officials in all 3 surveyed provinces/cities reported difficulties in exact measurement, especially in the case of "having a waged job but no labor contract" as it is difficult to verify (only relying on people's self-reporting). The distinction between "unemployed" (working-age

people who can work or are willing to work but cannot find a job) and "having a non-contractual job" may not be entirely fair.

- *The "Educational level of adults" indicator* is easy to collect, but the information is mainly based on people's self-reporting, while local officials do not have the necessary resources to verify their educational qualifications.

Multidimensional poverty according to data from the Viet Nam Household Living Standards Survey 2022-2023

The VHLSS is a sample selection survey to collect information as a basis for assessing living standards, poverty and wealth polarization of the population for policy making and developing plans and NTPs to improve living standards on all national, regional and local levels.

The VHLSS is conducted annually with a sample size of about **47,000 households** in 63 provinces and municipalities, covering the themes: Demographics; Education; Health and healthcare; Income; Spend; Durable utensils; Housing and sanitary conditions; Participate in assistance programs.

The data for calculating multidimensional poverty has been researched by the GSO and collected since the 2016 VHLSS, including: Household income; Information on basic social services including: employment, health, education, housing, housing, clean water and sanitation, and information.

Table 1: Multidimensional poverty rate 2022-2024 constructed from GSO's VHLSS data

	2022	2023
NATIONWIDE	4,2	3,4
Area		
Town	1,5	1,2
Rural	5,9	4,8
Region		
Red River Delta	0,9	0,7
Northern Midlands and Mountains	12,8	10,7
Central Coasts	5,2	3,9
Central Highlands	10,8	9,0
Southeast	0,4	0,3
Mekong Delta	4,0	3,1

Source: GSO's VHLSS 2022-2023

According to the VHLSS, *the rate of poor households in 2024 is estimated at 2.4%*, down 1% compared to 2023. This data shows that multidimensional poverty has continuously and significantly decreased, from 9.2% in 2016, to 4.8% in 2020, and 3.4% in 2023.

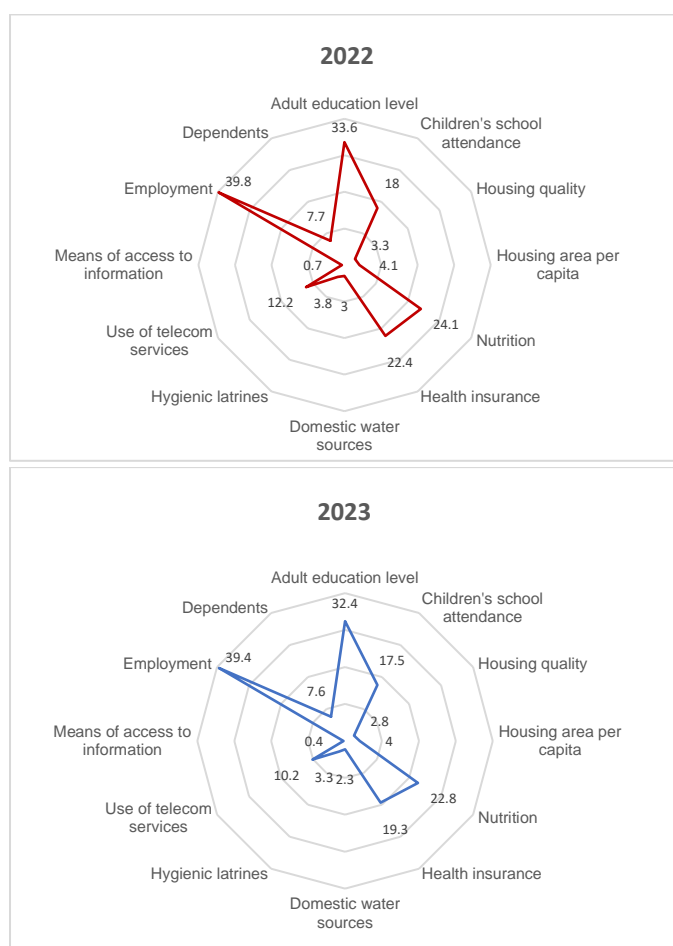
⁴ Survey results (October 2024).

Multidimensional poverty rates vary greatly from region to region, but all have a downward trend. The Northern Midlands and Mountains have the country's highest rate of poor households (12.8% in 2022 and 10.7% in 2023), while the Southeast have the lowest (0.4% in 2022 and 0.3% in 2023).

Basic social services need to be evaluated in 2 aspects: **level of deprivation and reduction of deprivation.**

Regarding the level of deprivation, the "Employment" indicator in the "Employment" dimension and the "Education level of adults" indicator in the "Education" dimension are the 2 indicators with the highest levels of deprivation, with the rate of deprived households being 39.8% and 33.6% in 2022 and 39.4% and 32.4% in 2023, respectively. In contrast, the "Means of access to information" indicator in the "Information" dimension is the indicator with the lowest level of privation, with a rate of deprived households being 0.7% in 2022 and 0.4% in 2023.

Figure 2: Percentage of deprived households based on multidimensional poverty indicators 2022-2023



Source: GSO's VHLSS 2022-2023

Assessing the level of basic social services deprivation of households will be an important basis for identifying services and indicators in the 2026-2030 MPL (focusing on measuring and monitoring the progress of indicators of priority for households with high levels of deprivation,

to reduce multidimensional poverty linked to green growth and sustainable development).

Regarding the decline rate of deprivation, compared to 2022, the indicator in 2023 with the largest decline of 3.1% points in the rate of deprived households was the "Health insurance" indicator in the "Health" dimension. Meanwhile, the "Housing area per capita" indicator in the "Housing" dimension and the "Dependents in the household" indicator in the "Employment" dimension had minimal changes in the rate of deprived households, with a decline of only 0.1% points. The decline rate of deprived households in each dimension helps reveal the causes of multidimensional poverty and signifies which indicators and dimensions (of poverty) would help reduce poverty to a greater extent, thereby proposing more appropriate poverty reduction policies. For example, a lower rate of deprivation of health insurance implies the effectiveness of the universal health insurance policy. Measuring the level of basic social service deprivation of poor households is meaningful for the design, implementation, and M&E of the NTP for SPR and related poverty reduction and social protection policies.

Some other limitations in the implementation of the multidimensional poverty line

The promulgation and implementation of the 2022-2025 MPL were delayed. In 2021, localities still used the 2016-2020 MPL. From the very first year of the 2021-2025 period, localities already had to develop resolutions and plans to determine poverty reduction goals and targets; however, no official data according to the new poverty line was available at the time.

Information technology applications in poverty reviews were not implemented on time. Decree 07/2021/ND-CP outlined the responsibility of the Ministry of Labour - Invalids and Social Affairs (MOLISA) to "apply information technology in annual reviews of poor and near-poor households starting from 2021". MOLISA developed the Connection software for reviewing and managing poor households online (<https://dangky.giamngheo.gov.vn/>), but currently only 4 provinces are using the platform (Bac Giang, Thai Nguyen, Quang Nam and Binh Phuoc). In localities, up to now, poor households are still reviewed on paper, with manual data entry and synthesis.

2.2 National Target Program for Sustainable Poverty Reduction 2021-2025

a) About the 2021-2025 NTP for SPR

The 2021-2025 NTP for SPR was approved by the Prime Minister in Decision No. 90/QĐ-TTg on January 18, 2022 to specify the Party's policies and the State's laws on multidimensional, inclusive and sustainable poverty reduction, including the Resolution of the 13th Party Congress; Directive No. 05-CT/TW issued June 23, 2021 by the Secretariat on strengthening the Party's leadership

over SPR by 2030; and Resolution No. 24/2021/QH15 issued July 28, 2021 by the National Assembly.

General objectives

To implement the goal of multidimensional, inclusive and sustainable poverty reduction, limiting poverty recurrence and occurrence; support poor people and households to surpass the MLS, access basic social services according to the national MPL, and improve quality of life; support poor districts and communes in non-deltaic coasts and islands to escape poverty.

The NTP's general objectives have aligned with the orientation of green growth and sustainable development; however, the objectives on green growth and gender equality promotion have not been specified in the NTP.

Specific objectives

- The rate of poor households according to the MPL maintained an annual decrease of 1.0 - 1.5%;
- The rate of poor ethnic minority households decreased by over 3.0%/year;
- 30% of poor districts, 30% of communes under extreme difficulties in non-deltaic coasts and islands escaped from poverty;
- The rate of poor households in poor districts decreased by around 4-5%/year.

Key results and indicators

The NTP includes 06 main results and targets, and 09 targets to address basic social service deprivation aligned with poverty dimensions: employment, health, education, housing, living water and sanitation, and information.

Component projects of the Program

- (1) Project on Investment in development of socio-economic infrastructure in poor districts and communes with extreme difficulties in non-deltaic coasts and islands;
- (2) Project on Diversification of livelihood, development of models of poverty reduction;
- (3) Project on Development of production and improving nutrition;
- (4) Project on Development of vocational education and sustainable jobs;
- (5) Project on Housing for poor households, near-poor households in poor districts;
- (6) Project on Communication and reduction in poverty of information;
- (7) Project on Capacity building and M&E of the Program.

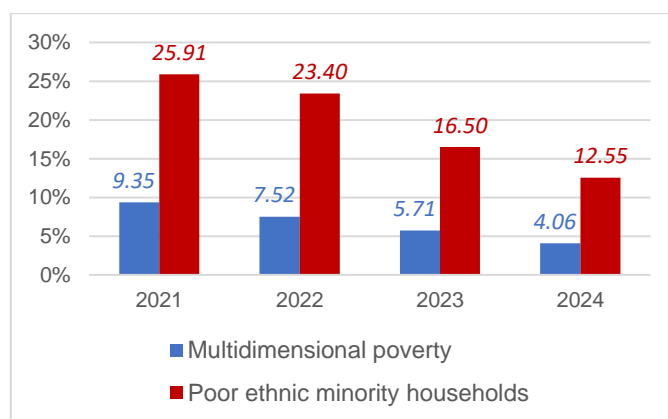
b) Evaluation of the progress towards the Program's targets and objectives

Rate of poor and near-poor households

Viet Nam has achieved notable poverty reduction results through inclusive economic growth and poverty reduction programs and policies. Successful poverty reduction efforts began with strong government commitments and adequate resource allocation. Macroeconomic stability with low growth and inflation creates an enabling economic environment for these efforts.

Specific indicators on annual reduction of the rate of poor households (multidimensional poverty rate, poor household rate, poor household rate in poor districts, and rate of poor ethnic minority households) have all met and exceeded the set targets. According to the review of poor and near-poor households conducted by MOLISA⁵, the multidimensional poverty rate (including the rates of poor and near-poor households) maintained a steady downward trend, declining from 7.52% in 2022 to 5.71% in 2023 and 4.06% in 2024. The rate of poor ethnic minority households also decreased by 6.35% in 2022 compared to the end of 2021; and continued decreasing by 6.9% and 3.95% in 2023 and 2024, respectively, exceeding the target for annual reduction of the rate of poor ethnic minority households by over 3.0%/year set by the National Assembly. *This result has contributed to the success of the goal of reducing the multidimensional poverty rate by 1-1.5% annually set out in the 5-year Socio-Economic Development Plan 2021-2025.*

Figure3: Rates of multidimensional poverty and poor ethnic minority households 2021-2024



Source: Decisions No. 582/QĐ-BLDTBXH (2022), 71/QĐ-BLDTBXH (2023), 134/QĐ-BLDTBXH (2024) and 217/QĐ-BLDTBXH (2025)

The total number of poor and near-poor households at the end of 2021 (baseline) was 2,393,332 households; by the end of 2022, there were 1,972,767 households, and then 1,258,997 households by the end of 2024. After three

⁵ Decisions No. 582/QĐ-BLDTBXH, 71/QĐ-BLDTBXH, 134/QĐ-BLDTBXH and 217/QĐ-BLDTBXH to announce results of the review of

poor and near-poor households at baseline (2021), 2022, 2023 and 2024, respectively, according to the 2022-2025 MPL

years, the number of multidimensional poor and near-poor households has decreased by 47.4% compared to baseline – nearing the target of halving the number of poor and near-poor households compared to baseline.

The rate of poor households in 2021 was 2.23%, a decrease of only 0.52% compared to 2022. Three important reasons for this are: (1) the adverse impacts of the COVID-19 pandemic on poverty reduction; (2) towards the end of poverty reduction, poor households have shrunk to the “core”, characterized by a slower decline rate of poor households; (3) approval and implementation of the 2021-2025 NTP for SPR was delayed. According to the UNDP report (2023), Viet Nam is among the 25 countries that have halved the Multidimensional Poverty Index (MPI) within 15 years. However, the progress of poverty reduction has slowed down under the impact of the COVID-19 pandemic.

The decline rate of near-poor households is much slower than that of poor households. The rate of near-poor households in 2022 decreased by 0.66% compared to that in 2021 (from 4.15% to 3.49%); and then by 0.71% in 2023 compared to that in 2022 (from 3.49% to 2.78%). In 2024, 43/63 provinces and municipalities had higher rates of near-poor households than poor ones. Poor households without labor capacity face challenges in improving income. Even with improved access to basic social services that transition them to near-poor status, their actual income is still below the MLS.

The rate of poverty reduction has reached and exceeded the nationwide targets for 2022-2024. Poverty reduction is a composite result of socio-economic development, especially the recovery of job opportunities after COVID-19 in localities, poverty reduction policies (education, health, credit etc.), social protection policies, and the efforts of the poor themselves. In particular, the meaningful role of the NTP for SPR is to focus on the most disadvantaged areas, the “poverty cores” and specific vulnerable groups (e.g. poor female-headed households, people with disabilities (PWDs), and older people in poor households) that face barriers to improving their living conditions and overcome poverty on their own without direct support from the Program.

Ethnicity and geographical area have a sustainable relationship with the high poverty rate in Viet Nam.

Poverty and lack of access to basic social services in Viet Nam remain high and unevenly distributed across regions. In rural, mountainous and ethnic minority areas and non-deltaic coasts and islands, with arduous natural conditions and extensive impacts of climate change, socio-economic development falls behind other areas in the country. These areas have very high rates of multidimensional poverty in 2022-2024. According to the review of MOLISA in 2024, the multidimensional poverty rate in 74 poor districts is 39.82% and the

multidimensional poverty rate of ethnic minorities is 22.36% (compared to the national multidimensional poverty rate of 4.06%)



The poverty rate of ethnic minorities is still much higher than that of the Kinh people, although the gap is narrowing. According to the GSO (2023a), the poverty rate of Kinh/Hoa households (1.98%) is much lower than that of ethnic minority households (23.71%). However, the absolute gap in poverty rates has narrowed significantly, from 31.71% points in 2016 to 21.73% points in 2022 (GSO, 2023a). In 2023, ethnic minorities only accounted for approximately 15% of the total population but made up 56.31% of poor households nationwide (Decision 134/QĐ-BLDTBXH, 2024). From 2021 to 2024, the annual decline rate of multidimensional poverty in ethnic minorities maintained over 3%/year, achieving the set target.

Deprivation of basic social services

MOLISA's reviews of poor and near-poor households have provided information on the deprivation of basic services since 2022 (Decision 71/QĐ-LĐTBXH, 2023), although the information was unavailable in the previous review in 2021 (Decision 582/QĐ-LĐTBXH, 2022). Detailed information is nationally and locally published.

It should also be noted that it is not feasible to determine the decline rate of basic social service deprivation using data from MOLISA's annual review of poor and near-poor households because the reviews are conducted on different sample groups, i.e. the sample group of poor households in 2023 was not the same group in 2022. Some deprivation indicators in 2023 are higher than in 2022, perhaps because the remaining poor households in 2023 basically faced more difficulties than those in 2022 (households that faced fewer difficulties and are less deprived had already escaped poverty).

Five (05) indicators of access to basic social services of poor households that have the highest level of deprivation nationwide, according to data at the end of 2023, are as follows:

- The “Health Insurance” indicator has the highest deprivation rate (59%) among the 12 indicators. Although poor households are provided with State-sponsored health insurance, they are still considered

deprived because the State's support is not counted for the indicators. Thus, for the health insurance indicator, there is a discrepancy between reality and measurement due to support policies.

- The “Hygienic Toilet” indicator has the second highest deprivation rate (52%). The deprivation of hygienic latrines is common in mountainous areas and ethnic minority groups due to the people's customs.
- Three other indicators with high levels of deprivation are *Dependents* (36%); *Employment* (35%); and *Use of telecommunications services* (33%).
 - + Dependents are a demographic indicator, reflecting poor households' inherent in labor capacity and expenditure for older people and children.
 - + *Employment* is a dimension of deprivation that needs further attention and promotion, as the role of non-agricultural employment, including local and remote work (migration for employment), is increasingly important for poverty reduction.
 - + The deprivation of telecommunications services in poor households is often due to a lack of needs for internet access (especially in elderly single-person households, households under social protection) – common in urban and developed rural areas) or due to living in areas with poor telecom signals (less common, e.g. mountainous areas such as Bac Ha – Lao Cai).

There are still many challenges to achieve the targets of addressing basic social service deprivations by the end of 2025 as specified in Decision 90/QĐ-TTg. Comparing the above situation and the indicators to address basic social service deprivation clearly illustrates these challenges. Specifically, the target of "Supporting poor and near-poor households with at least one member of working age to have a sustainable job" is actually difficult to achieve, especially for households with unique difficulties and lack of labor capacity; or the target "90% of poor and near-poor households use clean water; at least 60% of poor and near-poor households use hygienic latrines" will need stronger efforts and solutions to be achieved. However, the target of "at least 100,000 poor and near-poor households in poor districts receive housing support" is very feasible to achieve when the Government has just launched the program "Joining hands to eliminate temporary and dilapidated houses nationwide in 2025" with fundings from the state budget and socialization resources, as well as efforts of localities, communities and the people themselves.

Notably, although the deprivation rate of hygienic latrines remains high among poor households, there are no interventions or components that directly address this shortage in the NTP for SPR. This indicator also reflects the environmental aspect that should be supplemented in multidimensional poverty reduction. In order to measure and address indicators of multidimensional poverty with high levels of deprivation, the next phase of the NTP for SPR (whether as an independent or integrated program) should supplement a subproject on environmental sanitation, including interventions or components to support "leverage capital" accompanied by information solutions, propagation campaigns, and mobilization and promotion of the role of associations and social organizations, especially Women's Unions, to reduce the *deprivation* rate of hygienic latrines of poor households. This proposal is in line with the orientation of the NTP for SPR to promote a green lifestyle, associated with green growth and sustainable development in the coming time⁶.



Poverty reduction in poor districts and communes with extreme difficulties in non-deltaic coasts and islands

The decline rate of poor households in poor districts exceeded the target assigned by the National Assembly (4-5%/year). This rate decreased by 6.35% (2022), 6.9% (2023) and 6.86% (2024). However, 74 poor districts are still concentration areas for "poverty pockets" and "poverty cores"⁷ with a high level of multidimensional poverty (poor households accounting for 40% in 2024); this number is over 50% in 23 districts and over 60% in 6 districts. The rate of near-poor households in 2021-2024 decreased by an average of 0.42%/year but, notably, 37/74 districts recorded an increase in this rate in 2024 compared to 2021. This shows that there are still challenges to increase sustainable income for people to overcome the income threshold according to the MLS, reducing poverty and near-poverty in poor districts.

Another target is to reduce 30% of the 54 communes with extreme difficulties in non-deltaic coasts and islands by 2025. As of November 2024, 9 communes have been

⁶ "Percentage of the population using hygienic latrines" is a statistical indicator (code 4.5) in the Set of green growth statistical indicators specified in Circular No. 10/2023/TT-BKHDT issued on 01/11/2023

⁷ Poverty pockets and poverty cores are areas where the rate/number of poor households is higher than the national/regional average

lifted out of extreme difficulties, of which 8 communes have completed the new rural development (NRD). The main driving force for reducing the number of communes with extreme difficulties is the movement of NRD. It is expected that in early 2025, 4 more communes will complete the dossier of escaping extreme difficulties (also completing the NRD), bringing the total number of communes escaping extreme difficulties to 13/54 (24%). Although specific assessment of the remaining 41 communes has not been conducted, it is likely that the number of communes with extreme difficulties will decrease sharply in 2025 with the conclusion of the 2021-2025 NTP for NRD.

Poverty reduction in urban areas

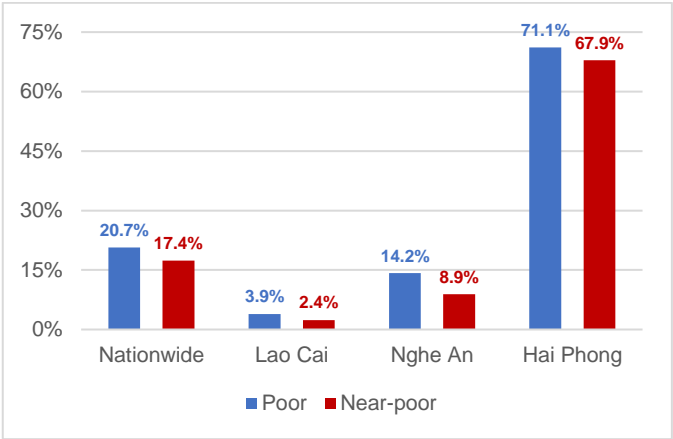
The urban poverty rate is low, mainly comprising households without labor capacity such as households with PWDs, older people, orphans, and other social protection beneficiaries (chronic poverty). At the same time, the characteristics of poverty in rural districts of big cities and municipalities (e.g. Hai Phong) and in delta districts with favorable conditions (most of which have completed NRD, e.g. Dien Chau District in Nghe An Province) are also very similar to urban poverty. There are stark differences compared to the characteristics of rural poverty in ethnic minority and mountainous areas such as in Lao Cai (some due to lack of labor capacity, but mainly due to lack of production land, capital, technology, employment...).⁸ Therefore, the measurement of urban poverty should be designed to consider these differences.

Some provinces and municipalities have raised the income threshold in urban and rural areas higher than the national poverty line. Ho Chi Minh City (HCMC) has the highest threshold of 3 million VND/person/month (and recently to 46 million VND/person/year). It is common to increase to 2.5-2.6 million VND/person/month in urban areas and 2.0-2.1 million VND/person/month in rural areas such as in Hanoi, Da Nang, Binh Duong, Quang Ninh, Ba Ria-Vung Tau, Dong Nai. In HCMC, with the threshold of 2 million VND/person/month of the national poverty line, the city's poverty rate in 2022 would be 0%. HCMC is the only municipality in the country to apply the same income threshold for both urban and rural areas⁹.

Increasing the income threshold for both rural and urban areas of the national poverty line in the coming period is critical to match the recent CPI increase. This requires a recalculation of the basket of goods and services to ensure that the MLS (equal to the cost of food equivalent to 2,100 kcal/day plus non-food costs) corresponds with the reality of people's lives in urban areas, thereby

increasing the urban income threshold to match the price level and expenditure of people in the area.

Figure4: Rate of poor households and near-poor households without labor capacity in 2023 (%)



Source: Decision 134/QĐ-BLDTBXH (2024)

Currently, the deprivation thresholds of basic social service indicators in the national 2022-2025 MPL are identical in both rural and urban areas. If localities apply the national MPL, urban poor households mainly fall into the specific group without labor capacity. Accordingly, the key solutions for urban poverty are supported for reducing the basic social service deprivation and social protection support, as livelihood support for poor households without labor capacity is inappropriate. The participation of representative organizations (e.g. Women's Unions and Associations of the Elderly [VAEs]) and local organizations (e.g. fellow-countryman associations and entrepreneurs clubs) in mobilizing programs, projects and funding is also a significant channel for resource mobilization to cover for some deprivation aspects. Some localities have adjusted the implementation of poverty reduction policies to match actual local contexts.

Implementation of poverty reduction policies in accordance with local context

In Hai Phong, the NTP for SPR uses the local budget and omits the livelihood component. Instead, Hai Phong implements policies on social security, housing support, cash transfers for households with specific difficulties etc. with an annual spending of trillions VND (Hai Yen, 2023)

HCMC is the national pioneer of urban poverty reduction, with synchronous solutions on providing preferential credit from the city budget, vocational training and job creation; reducing deprivation of basic social services, especially housing, health and education; building peer support groups for poor households etc.

⁸ Survey results (October 2024)
⁹ Ho Chi Minh City has gone through two phases of multi-dimensional poverty line adjustment. Initially, in 2020, the city set its own standard with 10 indicators, eliminating the index of hygienic latrines and access to information, focusing on income, which is different from the national

poverty line, leading to inconformity with general regulations. By 2024, the city has built a new poverty line, adjusted in a direction that is more in line with national standards, increased income criteria, and used 12 basic social service indicators, while supplementing the index on access to social insurance

In the coming time, some thresholds should be reviewed and amended, particularly to make urban thresholds higher than rural thresholds, for better alignment with actual conditions. This provides a basis for designing and implementing specific poverty reduction solutions for urban areas that are distinct from rural areas.

Poverty reduction goals and targets associated with green growth and sustainable development

The general objective of the NTP for SPR is "multidimensional, inclusive and sustainable poverty reduction" which is completely in line with the orientation of green growth and sustainable development; however, specific objectives in green growth and gender equality promotion have not been mentioned.

Several indicators on basic social service deprivation in Decision 90/QĐ-TTg are in alignment with the Set of GGSIs. If the 2026-2030 MPL supplements an Environment dimension coupled with specific indicators and targets, the orientation of poverty reduction associated with green growth and sustainable development will be further strengthened.

However, in the coming period, the amendment and supplementation of specific objectives and indicators must be further considered for better clarification and enforceability of the poverty reduction orientation associated with green growth. For example, the supplementation of indicators on the number/rate of poverty reduction and/or livelihood models that meet green standards (good agricultural practices, clean and organic production etc.); indicators on the number/rate of green jobs created, the number/rate of models owned/managed by women or created jobs for women; or the number/rate of support models for PWDs and older people in poor households etc. should be considered.

c) Some results of projects and subprojects of the NTP for SPR and implementation gaps

Infrastructure support in poor districts has contributed to improving the people's quality of life and promoting regional economic development. Support in poor districts and communes with extreme difficulties in non-deltaic coasts and islands includes the construction of inter-regional infrastructure that serves people's livelihood, production and circulation of goods between regions. This contributes to promoting economic growth and revamping poor districts and communes with extreme difficulties in non-deltaic coasts and islands. In some surveyed areas (e.g. Lao Cai), the local directive is to prioritize investment in projects with regional connectivity in poor districts in alignment with the orientations of the NTP for SPR.

Diversifying livelihoods and developing poverty reduction models is an important measure. From 2022-2024, there had been effective and promising livelihood models that enabled people to escape poverty and become rich;

contributed to creating sustainable jobs and livelihoods; significantly increased incomes; and improved the lives of people in poor and near-poor households and those that recently escaped poverty. Survey results show that, besides investing in key infrastructure projects, improving support for production development is vital to lifting people out of poverty.

Support for the development of vocational education and sustainable employment has achieved positive results, contributing to developing vocational education in poor and disadvantaged areas in both scale and quality of training; connecting training to employment; and providing workers with opportunities in vocational training suitable for job search or self-employment, thereby generating sufficient income to escape poverty. Regarding sustainable employment support, from 2022-2024, information of 34,920,618 employees had been collected, updated and linked to the national database on population; about 667 sessions/job fairs with 1,691 participating enterprises organized, connecting about 15,000 workers.

With the support of the projects in the NTP for SPR, the poor and people in poor and disadvantaged areas received targeted support in vocational training and skills development; livelihood, employment and income; and access to basic social services in health, education, housing, clean water and sanitation, and information. The projects aim to increase people's income levels and improve their access to basic social services, thereby multidimensionally and sustainably reducing poverty.

Limitations in the implementation of the NTP for SPR

New poverty reduction models associated with green growth and sustainability are limited in number. While there are many projects and models to support production development, they focus mainly on animal husbandry. Regulations on green production and green economic models have not been specified in the project on support for livelihood diversification and poverty reduction model development. There are also very few models of value chain linkage. Projects on production with value chain linkage in poor districts and areas with difficult socio-economic conditions face challenges to find a unit in charge of the linkage for project implementation. Local non-agricultural models, community-based tourism (CBT), green tourism... are also difficult to implement due to the lack of specific and applicable guidance.

There are several difficulties in terms of implementation and budget disbursement of the 2021-2025 NTP for SPR at all local levels, especially in the first 2 years of the period. There is still an overlap in the management function in the implementation of the program. The two contents on Diversification of livelihood and development poverty reduction models (Project 2) and Development of agricultural production (Subproject 1 – Project 3) are

assigned to 2 Ministries: MOLISA and the Ministry of Agriculture and Rural Development. At the local level, there are differences in assignments. For example, in Lao Cai, implementation is assigned to DARD; while in Nghe An, DOLISA and DARD preside over separate contents at the provincial level, but at the district level, some districts assign the DARD to preside over both contents.

Incomprehensive regulations on target groups and inconsistencies in support content were hindrances to local implementation. For example, the targeted group for support on vocational training is "low-income workers", but a definition of "low-income worker" was not provided, hampering local implementation. This also makes many non-poor households in need of vocational training support unable to access the support. In February 2025, the Government issued Decree No. 30/2025/ND-CP, which clearly stipulates the criteria to identify "low-income workers" as a basis for local implementation.

On sustainable employment support, activities have not met businesses' demand for employees and workers' demand for employment in the market. Localities struggle with investment support for provincial employment service centers, while activities are mainly implemented at the district level (in poor districts).

The development of an M&E system for the NTP for SPR linked with other NTPs has not been completed, delaying the progress of updating report data and managerial decision-making; there is no nationwide consensus among localities on the application of information technology in the annual review of poor and near-poor households.

Therefore, in addition to evaluating the effectiveness and impact of the program, it is also necessary to consider learning how to effectively link and integrate poverty reduction and rural development, while avoiding overlaps between NTPs, to lower poverty relapse rate.

2.3 Gender mainstreaming and social issues

a) Gender mainstreaming and gender equality promotion in poverty reduction

Viet Nam has shown strong commitments to promoting gender equality through the ratification of the International Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the promulgation of the Law on Gender Equality and the National Strategy on Gender Equality for 2021-2030. However, gender mainstreaming in specific programs, including the NTP for SPR, is still limited partly *due to the lack of gender-disaggregated data* in some specific respects. While gender-disaggregated data may be available at the macro-level, specific indicators and target groups (e.g., poor women, women with ethnic minorities, women with disabilities) at specific impact and outcome levels of poverty reduction interventions are still not

gender-disaggregated. Gender equality has not been mentioned in the objectives, targets and measures in the NTP for SPR. Household-based multidimensional poverty measurement makes it difficult to assess gender impact at the individual level. Although local Women's Unions can obtain the number of "poor female-headed households" through their network, this data is not listed in the annual review of poor and near-poor households, further impeding gender impact assessment of the NTP.



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Gender gaps still exist in national policies on SPR

SDG 1.3 aims to ensure that all men and women have equal access to economic resources and basic services. However, in many parts of the world, including Viet Nam, women face obstacles to property ownership, full participation in decision-making, and access to social services. Due to gender biases and cultural prejudices, especially in rural areas, rights to inheritance and land ownership are still predominantly reserved for men. Being unable to own land or have their names on land use certificates limits women's autonomy and their opportunities to have collateral to start businesses, borrow capital and access financial services (GIZ, 2024). The gender gap in economic and political rights between men and women also prevents women from benefits of economic growth, making them more likely to become poor and vulnerable than men. This situation is often not reflected in conventional household-based poverty indicators. The division of food and money in the family is often in favor of men, while the division of domestic labor has traditionally drove women to participate in more unpaid work than men and thus in greater disadvantages. These issues are closely linked to current challenges to Viet Nam's poverty reduction. While the government's policies stressed non-discrimination, gender norms and social traditions are deeply ingrained and will be difficult to overcome in the short term.

Although the NTP for SPR has underlined the principle of prioritizing support for disadvantaged groups including poor women, PWDs and ethnic minorities, specific guidelines and regulations to actualize and measure this principle are still unclear. Simultaneously, budget allocation and selection criteria for beneficiaries have not

ensured the principle of gender mainstreaming. This leads to a **situation where the principle of prioritizing poor women and vulnerable groups only exists on paper without significant impact.** In particular, the lack of gender disaggregation in M&E indicators makes it even more difficult to gauge the effectiveness of programs.



b) Supporting specific disadvantaged groups (PWDs and older people) in poverty reduction

PWDs in poor households have been prioritized in the NTP and SPR. The supports for production development have expanded the target to include PWDs without stable livelihoods, not necessarily in poor or near-poor households. However, like poor women, there lacks specific guidelines, targets and monitoring indicators for PWDs. Local surveys¹⁰ show that there is no data on the participation and benefits of PWDs in the activities of the Program. The NTP for SPR also has not mentioned older people in poor households.

Opinions from the local survey suggested that solutions to reduce deprivation of basic social services for both PWDs and older people should be strengthened, like the approach to "core" and "chronic" poverty groups. Other forms of livelihood support and specific assistance are diverse, based on specific target, ethnicity and area.

For PWDs, there is currently a Support Program for PWDs in 2021-2030 issued in Decision No. 1190/QD-TTg by MOLISA. All localities have developed and approved action plans for this program, and the implementation budget is clearly stated to include the budget from NTPs. However, in fact, the NTP for SPR still lacks an open mechanism to allocate funds and integrate the implementation of the Program to help PWDs.

Some activities in the Support Program for PWDs do not require additional funding but rather specific targets for implementation of the NTP for SPR. For example, the activity to "Support accessibility to constructions" only needs to set the goal/target for 2030 as "100% of newly

built, renovated or repaired constructions including offices of government agencies; medical examination and treatment centers; educational and vocational training institutions; cultural constructions; physical training and sports facilities etc. using the budget of the NTP for SPR must ensure accessibility for PWDs", following the orientation of Decision No. 1190/QD-TTg, to practically benefit PWDs. For other activities to support PWDs that require separate budgets, poverty reduction solutions tailored to this group must be further researched and supplemented, e.g. "building and replicating independent living and social inclusion models" for PWDs.

The role of community-based support models and measures for older people needs to be further promoted.

In fact, older people aged 60 and over are still able to work and participate in livelihood models to support their families. In Nghe An, the model of "Intergenerational Self-Help Club" managed by the VAE is developing strongly in some localities. It would be more effective if the NTP for SPR had an open mechanism for localities to implement specific solutions and activities to support older people in poor and near-poor households and those that recently escaped poverty, e.g. via intergenerational club models.

There are still no tailored measures for disadvantaged groups or regulations on budgets and specific targets related to women. Local officials and representatives of the Women's Union proposed that there should be tailored solutions for disadvantaged groups, coupled with regulations on minimum budget allocation and specific targets related to women¹¹.

Localities need to have the right to proactively adjust budget allocation to suit local context. In addition, a separate project managed by the Women's Union is not necessary, but it is important to have clear budget and targets. Simultaneously, it is necessary to strengthen gender analysis and needs assessment of poor women and specific disadvantaged groups to design appropriate policies, ensuring gender mainstreaming and support for disadvantaged groups in the implementation of the NTP for SPR.

The role of associations and social organizations such as Women's Unions, Associations of PWDs, and VAEs in poverty reduction is important. These associations and social organizations represent, support/provide services, and monitor/provide social criticism for policies and programs related to their respective constituents.

Therefore, the role of these associations and social organizations needs to focus on 2 aspects: providing poverty reduction support activities for their constituents (directly, or in coordination with other agencies and organizations); and M&E of implementation results. However, in the 2021-2025 NTP for SPR, there are no

¹⁰ Survey results (October 2024)

¹¹ Ibid.

specific regulations and mechanisms to promote the role of Women's Unions, the Association of PWDs, and the VAE in poverty reduction. In addition, the mobilization of social resources through funding programs aimed at poor groups and households with extreme difficulties should also be encouraged, developed and implemented.

c) Poverty dynamics

Despite the sharp decline of poverty, many households in Viet Nam are still prone to poverty relapses or temporary poverty due to the erraticism of poverty. Many households, even after escaping poverty, are still at risk of poverty relapse or temporary poverty due to volatile economic and social factors. This situation is especially prominent in remote and ethnic minority areas with lower agricultural productivity, fewer non-agricultural job opportunities, and slower income and consumption growth than other regions, while facing several difficulties in accessing education and health services. Notably, the speed of economic and social development of disadvantaged groups (ethnic minorities, older people, PWDs...) is slow. Compared to men, women face more barriers to accessing and holding high-paying jobs and leadership positions, especially in the energy sector; similarly, women-owned businesses also face more obstacles in access to finance and business development (GIZ, 2024). This report also stated that these challenges mainly stem from gender stereotypes, especially the notion of women's "heavenly duties" and "dual roles". Other vulnerable groups such as PWDs and older people also face specific difficulties in access to basic education, health and employment services.

A sudden contextual change can lower the income of disadvantaged households (with ethnic minorities, women, PWDs, older people) under the poverty line. According to the 2021 Multidimensional Poverty Report of MOLISA, 20% of ethnic minority groups who escaped poverty in 2016 fell back to poverty in 2018, while this rate of the Kinh/Hoa ethnic groups was only 7.6%. One important cause of poverty relapse and emergence is the increasing severity of natural disasters. From 2020-2021, under the impact of the COVID-19 pandemic, climate change, natural disasters etc., many households that had temporarily escaped from poverty fell back into poverty. The COVID-19 pandemic is a prime example of the impact of the health crisis on economic security: 73.3% of Vietnamese households experienced a decrease in income during the pandemic and temporary poverty increased significantly (Khalidi, 2023).

Many poor people are unable to recover from shocks (e.g. the aftermaths of natural disasters, poor health, job losses, crop failures), not to mention systemic crises at the regional, national or global level. This shows that the results of poverty reduction in recent years lack sustainability, with high risks of poverty relapse and

emergence. Many people escaped poverty on their own but fell back to poverty upon encountering shocks (Department of Economic and Social Affairs, 2024). Many households overcame the poverty line but then relapsed, showing the precarious nature of unsustainable poverty reduction. Therefore, to achieve SPR targets, building resilience is crucial to protect people from major risks and shocks like natural disasters and epidemics.

Poverty is also closely linked to the imminent risks of climate change. Viet Nam is one of the countries most affected by climate change. In recent years, droughts, saltwater intrusion, floods, landslides, storms, and typhoons have become increasingly complicated, detrimentally affecting an economy highly dependent on agricultural production and people's lives. Therefore, the sustainability of poverty reduction is always of major concern to localities, especially localities affected by natural disasters and epidemics.

The poor in Viet Nam are facing increased vulnerability due to several emerging challenges in the context of economic transformation, green transition and climate change. This rapid pace of change, rooted in economic development and shift towards green and low emission, leaves the poor behind without the opportunity or readiness to participate in new (green) economic sectors. Given that Viet Nam is among the countries most vulnerable to climate change, people (especially the poor) in rural areas whose livelihoods and jobs depend on nature face the risks of income loss or serious reduction (especially in mountainous areas, the Mekong Delta etc.). At the same time, climate actions/policies for high-emission economic sectors will create the risk of mass job loss of many workers in high-emission industrial areas (e.g. coal mining areas), making them vulnerable to losing their income and falling into poverty.

Lao Cai Province could not achieve poverty reduction targets in 2024 due to natural disasters and floods

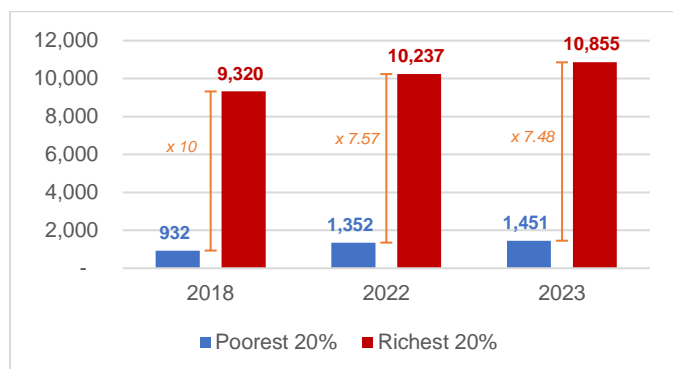
The most recent case is the detrimental damage caused by Typhoon Yagi (Typhoon No. 3) to the province. Among the surveyed provinces and municipalities, Lao Cai Province was the province most severely affected by natural disasters (Quick Report No. 326/BC-VPTT, 2024). According to the review of poor households in 2024 (Decision No. 217/QD-BLDTBXH, 2025), poverty reduction results in Lao Cai had slowed down (the average rate of poor households in the 2021-2023 period decreased by 5.1%/year; but only decreased by 3.7% in 2024 alone), meaning that Lao Cai will not meet the poverty reduction target of over 4%/year in 2024 as assigned by the central and local government like previous years (in addition to the general trend of slower decline rate of poor households towards the end of poverty reduction upon reaching the "poverty core")

d) Inequality

Inequality still exists. According to GSO data (2023b), the disparities in monthly income per capita between the richest 20% of the population and the poorest 20% in 2018 were 10 times, decreasing to 7.45 times in 2023.

Figure 5: Disparities in monthly income per capita between the poorest 20% and the richest 20%

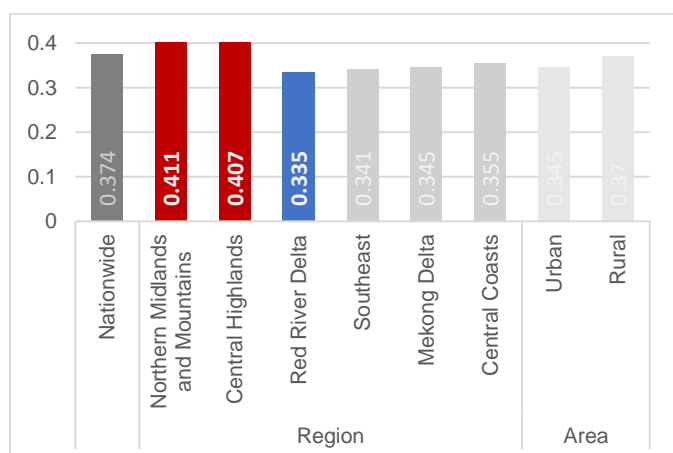
Unit: 1,000 VND/person/month



Source: GSO (2023b)

Viet Nam's GINI coefficient (by income) in 2023 was 0.374, without much change compared to 2022 and remains at the average inequality level (GSO, 2024). In 2023, the level of inequality in income distribution in rural areas was higher than in urban areas (0.370 vs. 0.345). The two regions with high poverty rates, the Northern Midlands and the Central Highlands, are also the two regions with the highest levels of inequality (0.411 and 0.407, respectively), and the Red River Delta is the region with the lowest level of inequality (0.335).

Figure 6: GINI coefficient by income by urban-rural area and by region



Source: GSO (2024)

As inequalities in the household, especially between men and women, is unobservable with the available data, the division by sex is not reported here. It should also be noted, however, that costs for basic needs are different for children and adults, and inequalities in the household can be traced to the age and gender of individuals (Bargain, Lacroix, & Tiberti 2022; WB, 2018).

2.4 Statistical data

Data is an important input to inform governments and promote poverty reduction and inclusive development.

Accurate statistical data on the entire population is key to designing and implementing SPR policies. Since poverty transcends monetary issues, it is important to ensure that data reflects other aspects of well-being such as deprivation of medical and healthcare, employment, education, and environmental services.

Addressing interconnected global challenges requires a solid evidence basis. In general, more systematic and higher quality datasets are needed to address poverty reduction policy issues, in relation to intertwining contexts of green growth, climate change response and sustainable development, and to monitor policy impacts.

Although the availability of data has improved over time, Viet Nam mainly relies on two types of data to measure rural poverty: (1) *administrative data from the annual review by MOLISA, collected by local officials*; and (2) *the VHLSS of GSO*. Nevertheless, administrative data contains many limitations due to the inconsistent collection process between localities and over time, leading to a lack of representativeness at the national level. In addition, administrative data has low coverage and is affected by implementation decisions at the local level, increasing statistical complications and errors. Although VHLSS is conducted every two years on systematic random samples, its limited sample size only ensures representativeness at the regional level. The VHLSS sampling method also tends to systematically exclude migrants, those without stable housing, or those living in substandard housing conditions; this results in the omission of a significant portion of the poorest and most vulnerable people in society (Khalidi, 2023). Specifically, some major limitations still exist in data collection for dimensions of basic social service deprivation, e.g. inconsistency in the definitions and concepts of the indicator, or unreliability of collected data.

Regarding gender disaggregation, the lack of gender-disaggregated data is a major difficulty, limiting the implementation of gender mainstreaming and promotion of substantive gender equality in the NTP for SPR.

Gender-disaggregated data at the individual level in poverty measurement is largely unavailable. A household-based multidimensional poverty measurement means that gender-disaggregated data at the individual level is unavailable. In principle, it is possible to identify "poor female-headed households" to assess the gender impact of the NTP and implement measures for poor women as household heads; but currently, this data is not collected in the annual review of poor and near-poor households. In fact, this data can be collected by Women's Unions during the implementation of women's local peer support movements for economic

participation. Therefore, it is important to effectively leverage and strengthen the role of the network of Women's Unions at all levels to get the big picture of poverty, especially the gender aspect at the individual level.

In surveyed localities, actual gender-disaggregated data in poverty reduction projects and activities from the grassroots level has not been collected sufficiently and systematically, leading to a lack of detailed reports on bottom-up gender disaggregation. Although in M&E forms of the NTP for SPR specified in Circular No. 10/2022/TT-BLDTBXH (2022), gender disaggregation is already required for several indicators (e.g. the number of female-headed households in the total number of households; the number of women supported in livelihood diversification, poverty reduction model development and agricultural production development; the number of female workers received vocational training; the number of female workers supported in overseas work and sustainable employment; the number of female officials participated in capacity building training).

Therefore, it is important to develop a timely and comprehensive database to facilitate the evaluation of the effectiveness and impact of poverty measurement methods, as well as the NTP for SPR, thereby enabling effective and timely adjustments in response to the context of Viet Nam. Simultaneously, it is necessary to have specific guidelines on gender mainstreaming and training at the local level.

2.5 International experiences on the integration of green growth and sustainable development in multidimensional poverty line and sustainable poverty reduction

a) Regarding MPL associated with green growth and environmental aspects

Multidimensional poverty index

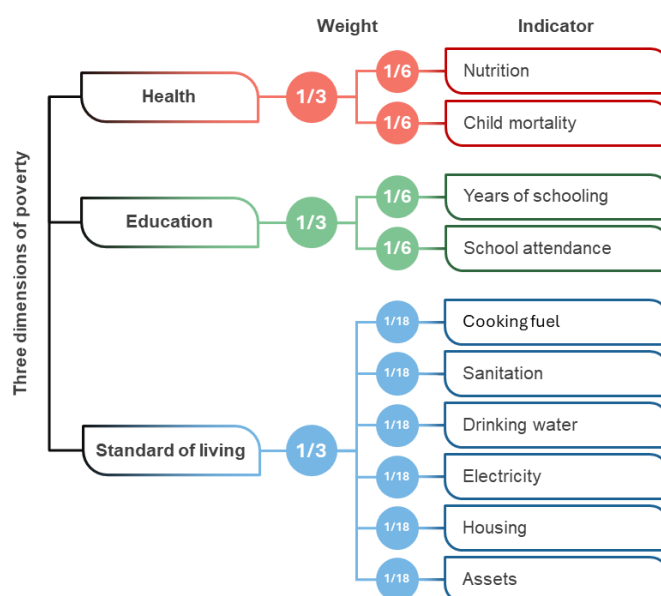
UNDP uses the Alkire-Foster Method for multidimensional poverty measurement to develop the Global MPI, which has been in place since 2010 (Alkire & Santos, 2010). UNDP annually publishes MPI reports, with the latest report in 2023 that contained data from 110 countries, including Viet Nam (Alkire et al., 2023).

The MPI does not include an income dimension, but rather 3 dimensions of Health, Education and Standard of Living, with a total of 10 indicators. The multidimensional poverty threshold is a combination of indicators whose weighted sum exceeds 30% or deprivations (Alkire & Foster, 2010). Additionally, 3 indicators in the *Standard of Living* dimension are directly related to the green growth and environmental aspects.

The two indicators "sanitation" and "drinking water" have been integrated in Viet Nam's MPL from 2016 onward, specified in of "domestic water source" and "hygienic

latrines" indicators (Decision No. 59/2015/QĐ-TTg, 2015; Decree No. 07/2021/ND-CP, 2021).

Figure7: Structure of the Global MPI



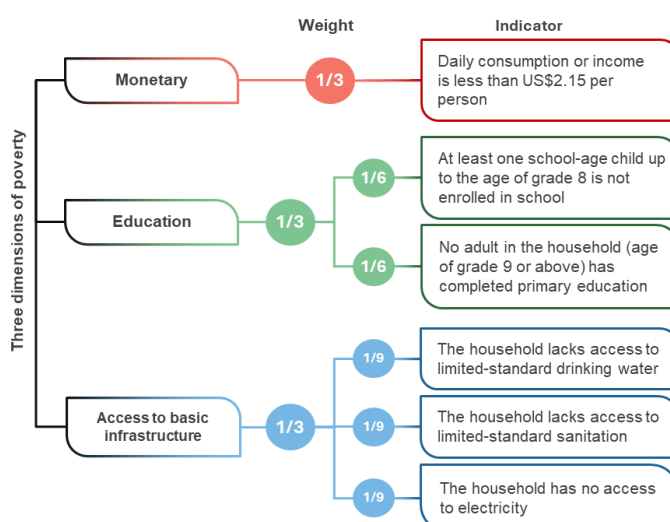
Source: Alkire & Santos (2010)

Particularly, the indicator "*cooking fuel*" has not been applied in Viet Nam's MPL. This indicator is especially in line with the orientation of environmental protection and green growth, because the use of solid fuels in cooking adversely affects indoor air quality, surrounding environments and forest protection, and increases greenhouse gas emissions.

Multidimensional poverty measures

The WB has developed and published reports on the Multidimensional Poverty Measure (MPM) since 2018, including 3 dimensions: Monetary, Education, and Access to basic infrastructure, with 06 specific indicators (Figure 8) (WB, 2024b). The latest 2023 MPM data is collected from 123 economies, including Viet Nam (WB, 2023).

Figure 8: MPM Indicators and weights



Source: WB (2024b)

In the WB's MPM, consumption/income is equivalent to one dimension with a 1/3 weight. The multidimensional poverty threshold is a deprivation of at least one dimension or a combination of indicators with a weighted sum equivalent to at least one dimension. In other words, individuals will be considered poor if they are deprived in indicators whose weight adds up to 1/3 or more (WB, 2024b). Thus, anyone who is income poor under the MPM is automatically multidimensionally poor, while those non-income poor must be deprived in at least 1/3 of indicators whose weight adds up to 1/3 or more in the remaining 2 dimensions of *Education* and *Access* to basic infrastructure to be considered multidimensionally poor.

The MPM has 2 indicators directly related to green growth and environmental aspects, namely "drinking water" and "sanitation" – which are 2 indicators that have been integrated in the current MPL of Viet Nam.

Note that the indicator "*access to electricity*" is included in the MPM of WB and the MPI of UNDP, as well as the MPL of many other countries. This is a fundamental indicator, an essential part of people's living conditions, but not included in the MPL of Viet Nam. The reason is that access to electricity has been almost universal in Viet Nam, with an extremely low percentage of people without access to electricity (only about 0.2%) (GSO, 2024). Therefore, the inclusion of this indicator in the MPL lacks significance to policymaking.

MPL in Mexico

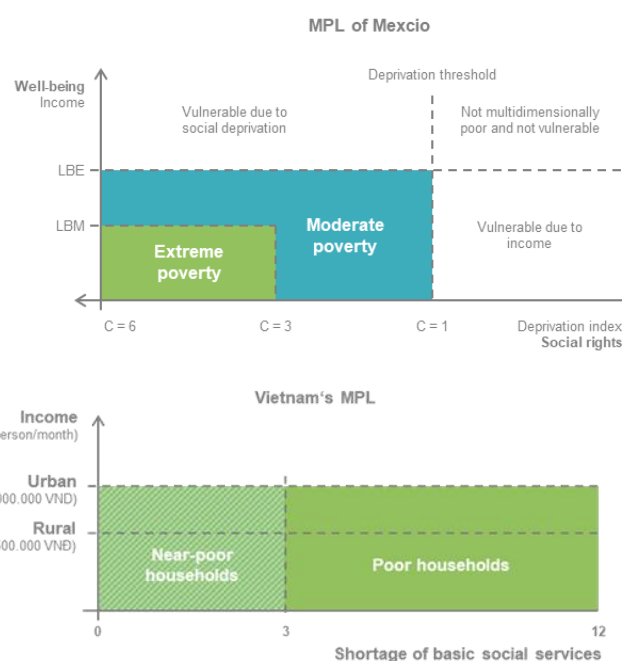
Mexico has been the first country in the world to apply an MPL since 2009. Mexico's MPL employs both economic and social dimensions, i.e. combining both the income threshold and the dimensions of social deprivation (Figure 9) (CONEVAL, n.d.):

- Mexico's income threshold consists of 2 standards: the well-being threshold (LBE - income needed to afford basic food and non-food baskets of goods and services) and the minimum well-being threshold (LBM - income below the cost of the basic food basket), also known as the poverty and extreme poverty/food insecurity threshold, with differences between rural and urban areas.
- 06 dimensions of social deprivation include: educational lag, health services, social security, housing quality and space, basic housing services, and access to food.
- Within the population living in poverty, extreme poverty is identified by an income below the minimum well-being threshold and three or more social deprivations (extreme poverty – green area). The remaining poverty group is called moderate poverty (blue area).

Viet Nam's 2022-2025 MPL is different from Mexico's approach. The poverty line in this period no longer distinguishes between two income lines for poverty and

near-poverty, but only one basic income line – applied as the mandatory income threshold ("hard slice") before dimensions of basic social service deprivation are considered, to distinguish between poor and near-poor households. MOLISA uses a "multidimensional poverty rate" that includes both of poor and near-poor households – or all "income poor" households with per capita income below the specified income threshold.

Figure 9: Comparison of MPLs of Mexico and Viet Nam



Source: CONEVAL (n.d.) & Decree No. 07/2021/ND-CP (2021)

Chile's MPL

Chile is a highly developed country in Latin America, thus environmental aspects are apparent in Chile's MPL.

Chile's MPL is designed to complement the income poverty line, consisting of five dimensions: education (22.5%), health (22.5%), labor and social security (22.5%), housing and environment (22.5%), and social networks and cohesion (10%). The cut-off point is 22.5%, equivalent to a deprivation of at least 1 in the first 4 dimensions.

The indicator "*local environmental*" is included in the dimension of housing and environment. A household is considered deprived of environmental quality if "two or more environmental pollution problems frequently occur in the area of residence". In addition to basic environmental pollution problems in terms of air, water and waste, other environmental pollution problems in Chile's MPL are at higher levels in quality of life, such as noise pollution (car traffic, planes, machinery etc.), visual pollution (construction, advertising, graffiti) or insect plagues, abandoned or dangerous animals (rodents, bats, dogs etc.)(Alba & Salama, 2018).

El Salvador's MPL

El Salvador has applied multidimensional poverty measurement since 2015. El Salvador's MPL consists of 5 dimensions of education, housing, employment, health/basic services/food security and habitat with 20 equally weighted indicators (4 indicators for each dimension). The cut-off point is 35%, that is, a household is considered multidimensionally poor if it is deprived of 7/20 indicators or more.

In addition to dimensions and indicators related to the environment (such as domestic water source and sanitation) – as seen in the MPL of Viet Nam and other countries, El Salvador's MPL has its own dimension of habitat. In the dimension of habitat, there is an indicator of "*environmental degradation and risk*". A household is deprived of this indicator if, in the preceding year, the household suffered damage due to floods, landslides, avalanches or watercourses, or if there is a risk of damage from erosion (Alba & Salama, 2018).

The dimension of "habitat" and the "environmental risks" indicator - or the "natural disaster risks" indicator - in El Salvador's MPL is very suitable for the context of natural disasters in Viet Nam.

Dominican Republic's MPL

The Dominican Republic's MPL was issued in 2017, consisting of 5 dimensions and 24 indicators. Each dimension has equal weights (20%) overall and in each. The deprivation cut-off point is 33% of the indicators.

Environmental issues are clearly stated in the dimension of "Housing and environment". In addition to the environment-related indicators commonly found in the MPL of other countries (e.g. clean water and sanitation), Dominica's MPL also has an index of "cooking fuel" similar to the UNDP's MPI. In particular, there are two indicators related to "*Proximity to pollution sources*" and "*Proximity to sources of danger*" of households:

- Proximity to pollution sources: Households close to any source of contamination in urban areas, except for proximity to pork and poultry farms in rural areas.
- Proximity to sources of danger: Households within 0.5km of a source of environmental risk (river, gully, ravine, lagoon, watercourse, seacoast, erosion or landslide area, dry or diverted riverbed).

Panama's MPL

Panama is a country with a high human development index, but it is one of the countries with the highest level of inequality in the world. Panama has applied its MPL since 2017, including 5 dimensions and 17 indicators.

In the dimension of "*environment and sanitation*", there are 4 indicators. Aside from the usual "hygiene" indicator, there are 2 important indicators related to the environment:

- *Damage to home due to natural phenomena*: a household is deprived if it has suffered damage caused by floods, landslides, tidal flooding, strong winds, drought or other natural phenomena.
- *Inadequate handling of garbage*: in urban areas, the inhabitants of a household are considered in a situation of privation if waste is incinerated or disposed of in a vacant lot, river, stream, lake or the sea, or simply buried. In rural areas, the same criteria apply, except for burying waste.

Green Growth Index

The Green Growth Index (GGI) is introduced by the Global Green Growth Institute, an international organization established in 2012 based on the UN Summit on Sustainable Development, currently consisting of 48 members, including Viet Nam (Acosta et al., 2022).

At the same time, Viet Nam has also issued a Set of GGSIs in Circular No. 10/2023/TT-BKHD on November 1, 2023. Viet Nam's GGSOs have many indicators similar to GGI. In particular, some indicators of Goal 4 are very compatible and useful for multidimensional poverty measurement associated with green growth and sustainable development.

- A number of green growth indicators have been mentioned in Viet Nam's 2022-2025 MPL, such as: clean water, sanitation facilities, temporary housing, health insurance, malnutrition, and average income.
- There are differences between rural and urban areas: while indicator 4.2 for urban areas is "clean water through centralized water supply systems", indicator 4.3 for rural areas is only "*standard-compliant clean water*".
- The indicators of *social insurance, unemployment insurance, and green employment* have not been mentioned in the 2022-2025 MPL. These indicators should be studied and considered when proposing the orientation for the 2026-2030 MPL associated with green growth and sustainable development.

b) Regarding poverty reduction associated with green growth and sustainable development

International experience in SPR strategies

To implement SDG 1 on "ending poverty *in all its forms* everywhere", many countries around the world have implemented poverty reduction strategies that are both sequential and interconnected, designed to be suitable for each target group, associated with different stages of development of each country:

Poverty reduction based on agricultural development

With this strategy, the approach is based on regional and sectoral development, usually through 3 stages:

i) Expansion of arable land and infrastructural investment:

This involves increasing access to land for the poor and improving food security to eradicate hunger and poverty, typical in African countries.

ii) Increase agricultural productivity: Typical in India, with emphasis on the use of high-yield crop varieties, fertilizers, and technology transfer to improve productivity and income for farmers.

iii) Agricultural diversification towards high-value commodity products: Countries, especially in Asia (e.g. China, India and Viet Nam), attach great importance to this strategy of structural diversification and transformation. At this stage, the focus is on transitioning to high-value products and sustainable livelihood models, creating certified production areas (green agriculture models associated with good agricultural practices and promoting collaborative efforts among producers to support sustainable livelihoods and protect the environment.

Poverty reduction based on employment

Poverty reduction based on non-agricultural employment takes place in countries that promote industrialization and urbanization when traditional agriculture reaches a certain threshold. This includes:

- *Developing local jobs:* Developing non-agricultural industries, rural enterprises, tourism, and vocational training to create jobs for the poor.
- *Migration for employment,* such as in China, where millions of people escaped poverty by migrating from rural areas to work in cities. In Viet Nam, this process is also well underway.

An important note is to avoid early promotion of migration when urban employment opportunities are insufficient and the infrastructure is weak (experience from Africa with slums due to rapid urbanization without sufficient jobs, accompanied by high poverty rates, inadequate living conditions and many other social problems).

Poverty reduction based on social protection policies, while improving access to social services (e.g. education and health)

High- and upper-middle-income countries often apply individual/household-oriented poverty reduction through social protection (e.g. monetary subsidies and minimum income guarantees) as a "safety net" for the poor and vulnerable groups (people in extreme and/or chronic poverty such as older people, PWDs or poor women raising children). Developed industrial countries, Latin American countries (Chile, Colombia, Ecuador, Honduras, Jamaica, Mexico, Nicaragua), China, India, Pakistan, Turkey... have been applying this strategy (after going through the stages of approaching poverty reduction based on regional and sectoral development). These social protection programs play an important role

in the context of risks (natural disasters, epidemics and markets), covering both rural and urban poverty, in which the problem of urban poverty is becoming more and more apparent.

Effective monetary/in-kind subsidies for children (improving education, nutrition, intergenerational poverty reduction), such as the "Cash and Additional Support Services" program (counselling and connecting support services), are applied by many countries to change behavior and increase access to services, especially for specific disadvantaged groups (Matin, 2022). Mobilization of support from the community is also applied (e.g. Bangladesh and Ghana).

Based on international experiences, UNDP has recommended that Viet Nam switch from NTPs to regular social protection policies with a life-cycle approach that are suitable for middle-income countries. The Vietnamese government has taken important steps to lay the foundation for the expansion of social assistance coverage, aiming to cover people's entire life cycle.

In addition, UNDP also recommends that NTPs need more flexibility, giving room to local initiatives and reducing the central government's control due to regional diversity (Khalidi, 2023). It is necessary to build a universal and simple social security system in combination with local programs to address extreme poverty. NTPs should use central resources to locally pilot innovative solutions, before replication and experience sharing. Emphasis should move from input monitoring to output monitoring and learning from these pilots.

China's experience in SPR

China is an impressive case of poverty reduction, leading the world with nearly 800 million people escaping poverty (1981-2017), accounting for 75% of the total number of people escaping poverty globally. By 2021, the country announced the complete elimination of extreme poverty. According to UNDP's MPI, China's poverty rate also dropped sharply from 12.5% in 2002 to 3.9% in 2014 (WB & Development Research Centre of the State Council, 2022).

China has achieved great success in poverty reduction thanks to two main pillars: *economic transformation* (through improvement of agricultural efficiency, industrialization, service development, controlled urbanization, infrastructure, and education) and *target-oriented support* (from poorer regions, then more inclusive, aimed at income growth above the poverty line and multidimensional targets for basic services), although China has not officially adopted an MPL.

The process of poverty reduction takes place step by step, from supporting economic development to strengthening redistribution policies when the poverty rate drops to a low level. Rural job creation through

agricultural development, development of township and village enterprises and promotion of labor migration plays a key role. In addition, investment in education and infrastructure is also an important factor. China has significantly improved poverty reduction management with strong commitment at all levels, closely monitoring the status of poor households and applying effective resource mobilization measures. Millions of officials have also been mobilized to poor areas to provide direct support, creating an SPR model by combining poverty reduction management with market mechanisms.

China's poverty reduction program for the 13th Five-Year Plan Period (2016-2020) has made poverty reduction associated with environmental protection one of the main components (WB & Development Research Centre of the State Council, 2022). The concept of green growth is now fully integrated into China's targeted poverty reduction, at institutional design and policymaking levels. Examples of "green" poverty reduction approaches currently in place include ecological compensation, solar energy development, resettlement, green industry and cultural development, and M&E mechanisms for the environmental dimension of poverty reduction. After 2020, as the focus of poverty alleviation in China shifts from absolute rural poverty reduction to new challenges of relative poverty, multidimensional poverty and narrowing inequality, environmental issues are still considered the focus.



In fact, environmental issues due to long periods of focus on rapid economic growth pose a major challenge for China in the short term. China is currently the world's largest emitter, accounting for 27% of the world's CO₂ emissions and one-third of all greenhouse gas emissions. In addition, reducing inequality between regions and population groups to achieve China's vision of "common prosperity" is still a big challenge. China's poverty reduction will not stop. As average income and overall living standards rise, China's poverty line could be raised in the near future (China has adjusted its income line three times in the past 40 years, currently below \$2.30 a day), and hundreds of millions of people will be put below the national poverty line.

Green growth experience is beneficial to poverty reduction in some countries

Environmental Fiscal Reform

Fiscal policy can be used to link environmental and poverty reduction outcomes to the green economy. Fiscal and environmental policy innovation has been carried out by developed countries (such as the UK, Germany, the US, etc.,) and some developing countries (such as Brazil and India. China, etc.,) to achieve 3 benefits: increasing the budget, improving the environment and reducing poverty.

Fiscal and environmental policy reform is reflected in a series of fiscal policy changes, including: renewing energy and water price policies to eliminate subsidies in the agricultural and energy sectors that are harmful to the environment (for example, eliminating subsidies for environmentally harmful fuels and goods/production inputs); targeted subsidies to achieve inclusive goals without reducing efficiency (e.g. subsidies for programs/products based on green, clean or organic production, and renewable energy development); and the use of taxes and fees to cover the costs of offsetting ecosystem degradation and environmental pollution (e.g. imposing environmental taxes and fees on enterprises/projects using polluting/harmful technologies for natural resources and ecosystems; or implementing programs to pay for forest environmental services).

The budget source obtained from policies to reduce subsidies and increase taxes and fees is reinvested in poor areas and improve social services for the poor to implement social protection policies against job loss in the green economic transition process, education and training, and development of green jobs/livelihoods through investment in renewable energy, energy infrastructure to improve livelihood efficiency in the green and carbon-neutral economic transition. OECD also reports that new and drastic climate change plans will reduce the risk of climate change events, prevent significant economic losses and boost global GDP growth by 0.2% by 2040 (Harvey, 2025). This equates to billions of dollars and about 175 million more people being lifted out of extreme poverty as results of accurate investments in the energy transition, emissions cuts, food security, and other basic social services. Notably, environmental fiscal policies need to be carefully designed to be truly beneficial to poverty reduction.

Job creation programs

Some developing countries (India, South Africa, Mexico, Brazil, etc.) have public employment programs as poverty reduction strategies. Some employment programs focus on natural resource management such as land development, afforestation, flood prevention, and water purification. Many countries are showing increasing interest in the importance of employment programs that

contribute to greening the economy and benefit the income and other non-income dimensions of poverty.

Sustainable ecosystem management and green livelihood/ecological development

Carefully designed sustainable ecosystem management interventions aid in climate change adaptation and natural disaster mitigation and can directly contribute to poverty reduction by generating income through environmental improvement activities such as water resource improvement, community-based forest management and sustainable exploitation of non-timber forest products. Many countries have focused on building green livelihood models based on sustainable ecology such as intercropping and crop rotation models; mangrove-based aquaculture and fisheries models; and organic production models and good agricultural practices without inorganic fertilizers and pesticides of non-biological origin.

Tourism development

The development of ecotourism, green tourism, and CBT is a strategy that helps achieve all economic, social and environmental goals, which can help local communities, and the poor improve their livelihoods and incomes based on available natural resources. Many countries (e.g. Thailand, Nepal, Ecuador, and China, Viet Nam, Laos, Cambodia) have emphasized developing ecotourism, green tourism, and CBT as a solution to connect environmental protection and sustainable development, especially in ethnic minority and mountainous areas with the participation of all stakeholders.

Energy

The development of renewable energy can completely help reduce poverty through improving access to electricity, thereby playing a paramount role in daily living, livelihoods, education, health, etc. of the poor. Clean energy and energy-efficient technologies and equipment, at reasonable prices, will help alleviate "energy poverty". The prime example is China, where renewable energy (wind power, solar power) has become a key economic sector with strong investments and incentives.

Waste management

There are two significant links between waste management and poverty. First, the poor tend to be most adversely affected by ineffective waste management in developing countries. Secondly, millions of poor people are generating their livelihoods (in the informal sector)

and income from waste (e.g. garbage collection, sorting, recycling, and reuse), especially in places where centralized waste collection and industrial waste treatment services are not available. Good waste management toward poverty reduction will contribute to the diversification and development of multilateral cooperation in waste management, including community-based waste management initiatives and models.

Some implications for poverty reduction in Viet Nam from international experiences

Viet Nam was a leading lower-middle-income developing country in committing to rapid and sustainable poverty reduction. However, Viet Nam has since moved to the lower-middle-income status and is now looking to reach higher-middle income within the decade. In this context, Viet Nam can learn from the experiences of other middle- and high-income countries to achieve rapid income growth with low inequality and both absolute and relative SPR, in the context of green growth and climate change.

Strategically, the approach to poverty reduction needs to be more synchronous and radical

Regional development: Apply an integrated socio-economic development approach to eliminate "poverty pockets" and "poverty cores". Viet Nam needs to concentrate resources, avoid overspreading, and increase decentralization for proactive local solutions for "poverty pockets" and "poverty cores". The mechanism to pilot district-level delegation in the management and implementation of the NTP for SPR in 2024-2025 specified in Resolution 111/2024/QH15 of the National Assembly needs to be reviewed, adjusted and applied in the new context of building a 2-level local government system¹². The mechanism of allocating entire budgets for NTP implementation to local governments in the coming time (associated with the assignment of specific objectives and tasks on poverty reduction).

Viet Nam has set a goal of lifting all communes and villages out of extreme difficulties in the Mekong Delta (Resolution No. 120/2020/QH14, 2020); However, there are still many communes and villages among them that are particularly poor and in need of outstanding investment support. The upcoming period of 2026-2030 is probably the last opportunity to increase more targeted investments to eliminate "poverty pockets" and "poverty cores" across the country.

¹² Viet Nam is urgently building a two-level local government organization model including provincial and commune levels, abolishing the district level, and merging communes (expected to reduce the number of communes nationwide by over 50% compared to the current total of over 10,000 communes), completed in 2025. Thus, the concept of "poor districts" in the National Land Resources Strategic Plan for the period of 2021-2025 will no longer exist. A new commune after the

merger will include 2-3 old communes, which will be almost a "small district". Accordingly, it is expected that many functions and tasks of the old districts will be assigned to new communes, including poverty reduction.

Sector development: Viet Nam's poverty reduction strategy has gone through stages from the development of food and commodities to the development of value chains, alongside non-agricultural employment. However, it is necessary to take a more inclusive approach to "sector development", not only supporting a narrow group of actors in the value chain (people, businesses, cooperatives etc.) but also improving supporting factors and services (credit, land, digital transformation etc.), related policies. Local "sub-sector analysis" and close consultation with businesses and cooperatives to identify sector-specific development plans that benefit poor areas and the poor; vocational training and sustainable job development are crucial for poverty-reduction-oriented sector development. An effective approach is to cooperate with businesses/employers (linking labor supply and demand, vocational training by address) along with results-based management. Improving education is also a fundamental solution for labor migration. This overarching approach to "sector development" is missing from poverty reduction programs and projects.

Social protection policies: applied to specific vulnerable groups, especially the "chronically poor". The development and implementation of social protection policies for poor households without working capacity will continue to strengthen the social protection approach in the NTP for SPR (together with social protection policies issued under Decree No. 20/2021/ND-CP, Decree No. 76/2024/ND-CP, Law on Social Insurance in 2024 etc.). In the coming time, the continued expansion of life-cycle social protection policies (such as fee exemption for public school, universal health insurance, or social protection for older people) is completely in line with UNDP's recommendations for Viet Nam.

The current gap in Viet Nam is policies and solutions to support improving access to basic social services for the poor in urban areas (including the poor in budget-independent cities and in urban areas in provinces still dependent on centrally allocated budgets; poor migrants; and the local poor) and specific policies and solutions to support specific vulnerable groups (e.g. female heads of poor households and PWDs) with basic "priority" principles that cannot be implemented in practice.

In terms of SPR program design and implementation

Key suggestions can be drawn from China's experiences:

Focus areas: Viet Nam needs to focus more on addressing "poverty pockets" and "poverty cores" at the commune ("exceptionally poor" communes are identifiable with high rates of multidimensional poverty)

and village level. In the new context of the 2-level (communal and provincial) local government system, old communes are merged to form new communes equivalent to "small districts". A deeper focus on addressing "poverty pockets" and "poverty cores" at the village level – which is the population self-governing level – will create substantive conditions for "applying a community-based approach to poverty reduction"¹³ as stated in Decision No. 90/QĐ-TTg.

Improving poverty reduction governance: An address-based approach to poverty reduction should be implemented, in which each poor area and household is clearly identified. The following aspects also need to be identified: the causes, solutions and models of poverty reduction for specific poor areas and households; and the methods of resource mobilization, implementation and M&E linked to innovative results-based management, and accountability improvement. More officials should be mobilized to the poorest areas, e.g. in the form of poverty reduction working groups down to the village level, including local officials and mobilized/contractual officials. Attracting and enabling young intellectuals to work short-term in poor areas (as a training step at the grassroots after recruitment) should be studied and applied.

Poverty reduction associated with green growth: Implementation of the mechanism to create public jobs for the poor (linked to local projects and models) should be promoted. The implementation of green livelihood models, sustainable ecological management, good agricultural practices, emission reduction models, ecotourism, green tourism, and CBT should be prioritized. Clean energy and energy-efficient technologies, equipment and household appliances at reasonable prices should be applied.



¹³ The community-based approach to poverty reduction is based on 4 pillars: (1) the mechanism of decentralization and empowerment; (2) community capacity building; (3) consolidating, building and operating community organizations; (4) implementing community-based

subprojects and models (with community participation, contribution, ownership and supervision, associated with participatory planning and community development planning).

3. Conclusions

Poverty reduction policies, the MPL and the NTP need to be further refined (through innovative approaches, design, target selection and financial allocation) to enhance impact and effectiveness in the context of green and carbon-neutral economic transition, where the poor face new vulnerabilities.

Viet Nam is one of the pioneering countries in applying multidimensional poverty measurement to identify beneficiaries of poverty reduction policies and programs. Viet Nam's 2022-2025 MPL has been adjusted to the same level as the MLS, meeting the growing needs of citizens of a middle-income country.

In low- and middle-income countries, "poor" and "neglected" people make up a significant portion of the population — half or more. "They are not merely a few marginalized groups, but the many who have been failed by the current economic system" (Global Green Growth Institute, 2016).

"Growth, even if it is green, cannot be sustainable unless it adequately addresses poverty and social exclusion in an integrated and systemic way. Green growth can only lead to transformative and sustainable change if it is pro-poor and delivers benefits to the most marginalized and vulnerable social groups". (International Institute for Environment and Development, 2016).

The focus of Viet Nam's SPR strategy is to strengthen the resilience of the poor. As a lower-middle-income country, with ambitions to reach high-income in the coming decades, the focus of Viet Nam's poverty reduction strategy will be on addressing poverty vulnerability, emergent threats on welfare and economic security associated with the green transition, climate change and sustainable development (UNDP, 2022). The development of poverty reduction programs and policies that are environmentally friendly and in line with the new requirements of climate change response and mitigation will present new challenges.

Viet Nam's poverty reduction progress so far has achieved remarkable achievements, contributed significantly to global efforts and provided many relevant lessons on ways and potentials to achieve the 2030 SDGs. In addition, many valuable lessons from international experiences can be applied to implement poverty reduction in accordance with national context.

National statistical systems and new statistical approaches need to be strengthened for more effective

implementation of poverty reduction. Poverty reduction databases should be developed in a systematic, holistic, comprehensive and timely manner, with gender disaggregation and public access, that enables better policy impact monitoring and facilitates the design of poverty reduction policies in the new context.

Strengthening the role of associations, organizations and civil society, such as the Women's Union, the Association of PWDs and the VAE, who play a key role in poverty reduction efforts. The functions of these organizations include representing their constituents' interests; supporting the provision of essential services; monitoring and providing criticism of policies and programs related to their constituents; and implementing, monitoring and evaluating poverty reduction support activities.

3.1 Regarding the multidimensional poverty line

In order for the new MPL to be suitable for the context of green growth and sustainable development, some recommendations can be considered as follows:

- Research and calculate the income criterion equal to the MLS, based on updating the structure of food/non-food expenditure and the CPI.
- Build an MPL in line with the core tenet of "leaving no one behind" of the SDGs. Multidimensional poverty indicators should be developed to capture key dimensions of economic growth, social justice and environmental sustainability, including climate change adaptation and mitigation.
- Economic, social and environmental indicators related to inclusive green growth should be considered based on available national data to align with the deprivation indicators.
- Supplement the environment/green growth dimension as a deprivation dimension of basic social services (consider prioritizing indicators on the use of solid fuels in cooking; environmental risks; proximity to pollution sources; and waste treatment).
- Consider revising or replacing indicators with low levels of deprivation (e.g. the indicator of means of access to information); or with incompatibility between reality and measurement due to policy impacts (e.g. the health insurance indicator).
- Consider adjusting the deprivation threshold of some indicators that differ between rural and urban areas to better reflect living conditions in each area and provide the basis for developing appropriate priority policy measures for respective population groups (such as indicators of domestic water source, hygienic latrines, and employment).
- Continue examining how to determine the "slice" of poor and near-poor households, so that "near-poor households" have a living standard above the MLS, creating a safer buffer against the risk of poverty relapse (many households are identified as "escaped

poverty"; but with a living standard too close to the poverty threshold and difficult situations, they may fall back into poverty) and aligning with the definition of "near-poor households".

- Regarding income estimation based on scores and household assets, in order to increase the accuracy of the method in practice, it is necessary to combine multiple solutions, including:
 - i) Regional household surveys to identify, verify and adjust the index and scoring coefficient
 - ii) Local consultation to detect irrationalities before announcing and officially applying scoring methods; or authorization for local officials to use the questionnaire to determine household income in cases where the scoring method does not properly reflect household income.
- Regarding the implementation of the new-period MPL, it is necessary to soon promulgate a national poverty line (ideally by the end of 2025, combined with the current end-of-period review), assign the GSO to announce the poverty and near-poverty rates, support localities to build their own poverty lines in building a "slice" of total scores and adjust the score ladder for income estimates accordingly. At the same time, it is necessary to thoroughly apply information technology in the review from baseline and develop thorough guidance and training materials for local officials on poverty indicators.

3.2 Regarding poverty reduction policies and programs in the context of green growth

In order to truly link poverty reduction with green growth and sustainable development, the 2026-2030 NTP for SPR (whether separate or integrated) should have a comprehensive and synchronous innovation, from the MPL to goals, results and targets, areas and subjects; to the key contents in the Projects/Subprojects of the NTP, as well as implementation and M&E of the NTP.

- The overall objective of the Program should include green growth and sustainable development, as well as the goal of "gender equality promotion".
- Specific objectives and key outcomes and indicators of the NTP should be associated with multidimensional poverty measurement indicators – including the proposed additional environmental and green growth indicators. In particular, it is necessary to have specific targets on promoting gender equality and improving the participation and benefit of vulnerable groups (poor female-headed households, poor women, PWDs, poor older people), for example, the rate of livelihood projects owned/managed by women that create jobs for women and PWDs; the rate of female employees and PWDs receiving vocational training, capacity building, and sustainable employment support. However, it should be emphasized that, for these goals and targets to not

stay in theory only, it is extremely important to develop M&E mechanisms and ensure resources for implementation to promote practical implementation and bring positive changes to disadvantaged groups.

- The next phase of the NTP for SPR (whether as a separate or integrated program) needs to create a sufficiently broad and open policy framework, including solutions to reduce deprivation of basic services and appropriate livelihood solutions in both rural and urban areas, as well as specific poverty reduction models for local target groups
- The new period NTP for SPR should be designed to authorize localities to self-determine their priorities
- In the coming period, it is necessary to focus more on **addressing "poverty pockets" and "poverty cores"** at the commune and village level - which are particularly poor areas, with high rates of multidimensional poverty, subject to several risks of natural disasters and climate change. At the same time, it is recommended to apply the mechanism of allocating entire budgets for NTP implementation to local governments linked to the assignment of specific objectives and tasks on poverty reduction.

Regarding the content of activities/projects to support the poor, it will be necessary to note some points as follows:

- *Investment in infrastructure:*
 - o Prioritize investments, renovation and upgrades of connective infrastructure projects; prioritize investment in works for green transformation, green production, and environmental protection.
 - o Prioritize investment in facilities in areas prone to natural disasters; prioritize investment in upgrading and increasing the resilience to natural disasters and climate change of constructions (e.g. investments in embankments, culverts, landslide prevention).
 - o Supplement investment in constructions to reduce the shortage of access to basic social services, especially environmental services (associated with multidimensional poverty measurement indicators, such as clean water works and waste treatment), and objectives and targets for newly built or renovated public facilities to ensure accessibility of PWDs.
- *Support for livelihood diversification, production development, and poverty reduction models:*
 - o Supplement support for the development of production and value chain linkages for green agricultural products, ecological agriculture, good agricultural practices (Vietgap), safe and organic agricultural practices; and for livelihood development associated with green economy, ecological agriculture, digital technology applications etc. Value chain development is based on an inclusive "sector development"

- approach, which focuses on improving relevant factors, support services and policy environment.
- Supplement activities to support sustainable livelihoods for groups of poor female heads of households or women in poor households and PWDs, with minimum targets regarding budget allocation and beneficiaries.
 - To supplement solutions and initiatives on livelihood support, poverty reduction models in urban areas (support models for non-agricultural employment or development of small services, ecology-oriented urban/suburban agricultural).
 - In the coming period, *abolishing the general principle of "prioritizing" specific groups should be considered* in the implementation of the NTP, to instead develop specific solutions (accompanied by specific targets and budgets) for specific groups.
 - Design 01 separate subproject/component to support disadvantaged groups in both rural and urban areas. Instead of developing a separate subproject/component for urban poverty reduction, creating an open mechanism for localities should be considered. This mechanism will facilitate proactive development and implementation of appropriate and legally based activities, in which the minimum % of budget allocated to women owned/managed models or job creation models for women; to implementing solutions from the Program for PWDs (independent living model of PWDs); and to supporting older people in poor and near-poor households (intergenerational club models) is determined. It is necessary to clearly stipulate specific solutions for target groups to promote the role of women's unions and other organizations.
 - Design 01 separate subproject/component on environmental sanitation and disaster risk mitigation, with specific support solutions; prioritizing poor and near-poor households suffering from environmental risks (deprived in indicators of households suffering damage due to shocks, natural disasters and climate change); and supporting hygienic latrines (support for "leverage" capital and advocacy to change customs, promote the role of representative unions and organizations of vulnerable groups).
 - *Improve nutrition*: supplement nutrition support solutions for older people in poor and near-poor households; support pregnant and breastfeeding mothers in poor and near-poor households nationwide. Supplement community-based nutrition improvement activities.
 - *Develop vocational education and sustainable employment*:
 - Prioritize vocational training in green economy sectors and create job creation; prioritize training of affected workers in the process of green transformation;
 - Connect supply and demand in the green labor market;
 - Supplement preferential policies and support for specific vulnerable groups that are negatively affected in the green transition, such as female workers, workers with disabilities, ethnic minority workers, older workers etc.
 - *Housing support*: it is expected that by the end of 2025, there will be basically no temporary houses across the country thanks to the Government's current campaign to remove temporary houses. However, this support should still be continued to:
 - Prioritize support for repairing, renovating and upgrading houses to increase resilience to natural disasters and climate change.
 - Support poor households and near-poor households with a new housing shortage (according to the new poverty line).
 - *Communication and information on poverty reduction*: to prioritize communication on natural disaster risk reduction and on green lifestyle/culture.
 - *Capacity building*
 - Prioritize capacity building within green growth associated with SPR.
 - Supplement open regulations toward building a mechanism to allow/encourage localities to use local budgets to mobilize officials, provide allowances, and improve working conditions for local poverty reduction officials.
 - Develop specific guidelines on gender mainstreaming and support for specific disadvantaged groups, accompanied by skills training and development (based on the method of learning-by-doing) for implementation by local and grassroots officials.
 - *M&E of the Program*:
 - Adopt a "results-based management" approach. Simplify forms, focus on measuring the Program's key objectives and performance indicators, including those on green growth and supporting vulnerable groups such as poor female-headed households and women in poor households, PWDs, and older people.
 - Supplement the role of Women's Unions in information and communication and M&E of gender equality implementation integrated in Program contents.
 - Simultaneously, supplement the role of social organizations, e.g. the Association of PWDs and the VAE, in implementation and M&E of poverty reduction measures for vulnerable groups with specific difficulties (ensuring the "inclusive" part in the general goal of multidimensional, inclusive and sustainable poverty reduction)

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APPENDIX 1: Basic social services, indicators to measure the deprivation of basic social services and deprivation thresholds in the 2022-2025 multidimensional poverty line

Basic social services (Deprivation dimension)	Indicators to measure deprivation of basic social services	Deprivation threshold
1. Employment	Employment	Households with at least one unemployed person (people of working age who can work or are willing to work but cannot find a job); or have a salaried job without a labor contract*. (*) Considered for regular, stable or relatively stable employment.
	Household dependents	Households with a proportion of dependents greater than 50% of household members. Dependents include children under 16 years old, older people or PWDs receiving monthly social allowances.
2. Healthcare	Nutrition	Households with at least one child under 16 years of age who is malnourished (in height or weight) by age.
	Health Insurance	Households with at least one person aged 6 years or older who do not have health insurance.
3. Education	Adult education level	Households with at least one person between the ages of 16 and 30 who do not participate in training courses or have a degree/certificate of education and training compared to their respective age group [Persons from 16 years old to under 18 years old who are studying or have graduated from lower secondary school; from 18 to 30 years old who are studying or have graduated from high school or primary/intermediate/vocational college; or people from 16 to 30 years old who are recruited and certified by enterprises for on-the-job vocational training (in the form of work-study)].
	Children's school attendance	Households with at least 1 child from 3 to under 16 years old who are not eligible for age-appropriate education (children from 3 years old to under 6 years old have access to preschool education, children from 6 years old to under 12 years old have access to primary education, and children from 12 years old to under 16 years old have access to secondary education)/
4. Housing	Housing quality	The household is living in an unstable house/apartment (of the three main structures, walls, columns, and roof, at least two structures are made of unstable materials).
	Housing area per capita	The per capita housing area of a household is less than 8m ² .

5. Domestic water and sanitation	Domestic water sources	Households do not have access to clean water sources in daily life (including tap water, drilled wells, protected dug wells, protected crevice/hole water, rainwater, bottled water).
	Hygienic latrines	Households do not use hygienic toilet pits/latrines (including septic/semi-septic, water-permeable (Suilabh), improved with vent pipes (VIP), dug toilet pits with seats, two compartments).
6. Information	Use of telecommunications services	The household has no members using internet services.
	Means of access to information	Households do not have any of the following means of access to information: <ul style="list-style-type: none"> - Shared media: TV, radio, desktop computer, telephone. - Personal media: Laptops, tablets, smartphones.

APPENDIX 2: Comparison of dimensions, indicators, and deprivation thresholds and weights in the 2016-2020 and 2022-2025 national multidimensional poverty lines

1. Income criteria (threshold change)

Residence	2016-2020	2022-2025
Rural	700.000 VND/person/month	900.000 VND/person/month
Urban	1.500.000 VND/person/month	2.000.000 VND/person/month

2. Criteria for basic social services

Dimensions	2016-2020			2022-2025			
	Indicators	Deprived if [...]	Weight	Indicators	Deprived if [...]	Weight	SDG Indicators
Health	Access to medical services	Households with people who are sick but do not go for medical treatment (illness is determined to be sick/injured so severe that they must lie in one place and must have a caregiver in bed or take time off work/study and cannot participate in normal activities)	1/10	Nutrition (new)	Households with at least one child under 16 years of age who is malnourished (in height or weight) by age.	1/12	VSDG (SDG) Goal 2
	Health Insurance	Households with at least one person aged 6 years or older who do not have health insurance.	1/10	Health Insurance (no changes)	Households with at least one person aged 6 years or older who do not have health insurance.	1/12	
Education	Adult education level	Households with at least one member who is 15 years of age or older and born after 1986 who have not graduated from middle school and are not currently attending school	1/10	Adult education level (amended)	Households with at least one person between the ages of 16 and 30 who do not participate in training courses or have a degree/certificate of education and training compared to their respective age group [Persons from 16 years old to under 18 years old who are studying or have graduated from lower secondary school; from 18 to 30 years old who are studying or have	1/12	VSDG: 4.1.4, 4.4.1; SDGs: 4.1, 4.3

					graduated from high school or primary/intermediate/vocational college; or people from 16 to 30 years old who are recruited and certified by enterprises for on-the-job vocational training (in the form of work-study)].		
	Children's school attendance status	Households with at least one member between the ages of 5 and under 15 who are not currently attending school	1/10	Children's school attendance (amended)	Households with at least 1 child from 3 to under 16 years old who are not eligible for age-appropriate education (children from 3 years old to under 6 years old have access to preschool education, children from 6 years old to under 12 years old have access to primary education, and children from 12 years old to under 16 years old have access to secondary education)/	1/12	VSDG: 4.1.1, 4.1.3, 4.2.1, 4.2.2; SDGs: 4.1, 4.2
Housing	Housing quality	The household is living in a house/apartment that is unstable or simple	1/10	Housing quality (amended)	The household is living in an unstable house/apartment (of the three main structures, walls, columns, and roof, at least two structures are made of unstable materials).	1/12	
	Housing area per capita	The per capita housing area of a household is less than 8m ² .	1/10	Housing area per capita (no changes)	The per capita housing area of a household is less than 8m ² .	1/12	
Domestic water and sanitation	Domestic water sources	Households are not allowed to access hygienic water sources	1/10	Domestic water source (amended)	Households do not have access to clean water sources in daily life (including tap water, drilled wells, protected dug wells, protected crevice/hole water, rainwater, bottled water).	1/12	
	Type of toilet	Households do not use hygienic toilets/latrines	1/10	Hygienic latrines (no changes)	Households do not use hygienic toilet pits/latrines (including septic/semi-septic, water-permeable (Suilabh), improved with vent pipes (VIP), dug toilet pits with seats, two compartments).	1/12	

Information	Use of telecommunications services	Households with no members using phone and internet subscribers	1/10	Use of telecom services (amended)	The household has no members using internet services.	1/12	
	Assets for access to information	The household has none of the assets; televisions, radios, computers; and cannot hear the commune/village radio speaker system	1/10	Means of access to information (amended)	Households do not have any of the following means of access to information: - Shared media: TV, radio, desktop computer, telephone. - Personal media: Laptops, tablets, smartphones.	1/12	
Employment (new)				Employment (new)	Households with at least one unemployed person (people of working age who can work or are willing to work but cannot find a job); or have a salaried job without a labor contract*. (*) Considered for regular, stable or relatively stable employment.	1/12	
				Household dependents (new)	Households with a proportion of dependents greater than 50% of household members. Dependents include children under 16 years old, older people or PWDs receiving monthly social allowances.	1/12	

APPENDIX 3: Indicators related to the environment and green growth in the multidimensional poverty line applied in other countries – notes for Viet Nam

No.	Indicator	Applicability	Applied concepts	Notes for Viet Nam
1	Domestic water	MPI of UNDP WB's MPM All countries	<p>The concept of "drinking water" is often used. It can be "safe water" or "clean water" depending on the country</p> <p>Columbia: distinguish between rural and urban: urban areas are required to have access to public water systems/pipes; in rural areas, water sources are diverse.</p> <p>Many countries such as Bhutan, Pakistan, Mozambique, Nepal, Sierra Leone, Ghana, Malawi, Uganda, India: more conditions on distance to safe water sources (walking more than 30 minutes both way and back). Rwanda: 500m in the countryside, 200m in the city. Sri Lanka: 15 minutes/1km.</p> <p>Armenia: particular to cold countries, plus no access to hot water system</p>	<p>Already included in Viet Nam's 2022-2025 MPL</p> <p>There is a specific definition of a variety of clean/safe/protected water sources, but there is no condition of "distance to safe water", regardless of urban/rural</p>
2	Hygiene	MPI of UNDP WB's MPM All countries	<p>"Improved sanitation facility" according to SDG-6</p> <p>Many countries such as Bhutan, Nepal, Nigeria, the Philippines, Sierra Leone, Ghana, Namibia, Malawi, Uganda, Samoa, India, Sri Lanka have added the criterion that toilets are not "shared with other households".</p>	<p>Already included in Viet Nam's 2022-2025 MPL</p> <p>There is a specific definition of a hygienic latrine, but there is no sub-criterion of "not shared with other households"</p>
3	Cooking fuel	MPI of UNDP Many countries	<p>Although the definition slightly varies, it is basically the use of solid fuels (animal manure, agricultural by-products, shrubs, firewood, charcoal, coal) that pollute the environment as in the MPI of UNDP</p> <p>Some countries such as Mexico and Sierra Leone have added the condition of "using solid fuel indoors without chimneys".</p> <p>Ghana: use solid fuel for indoor cooking/enclosed spaces.</p> <p>Pakistan, Afghanistan: expanding the use of straw/crop residue. India: add shrubs. Sri Lanka: add rice husk ash, kerosene.</p> <p>Samoa: expand use of kerosene, open fire</p>	<p>Not yet included in Viet Nam's 2022-2025 MPL</p> <p>Should be studied and considered when proposing the 2026-2030 MPL</p>

			<p>Namibia: expanding fuel use in cooking and lighting</p> <p>Rwanda: the opposite regulation (no gas, biogas, solar, electricity, kerosene in cooking)</p> <p>Armenia: typical of cold countries, replaced with fuels (wood, carbon materials) used for heating</p>	
4	Waste Management	Costa Rica, Panama, Armenia, Thailand Malawi	<p>Costa Rica: no access to garbage collection/disposal</p> <p>Armenia: no access to centralized garbage collection/treatment system</p> <p>Thailand: specifically stipulates that households "dispose of garbage" by burning, piling up, discarding into rivers, lakes, ponds/public land...</p>	<p>Not yet included in Viet Nam's 2022-2025 MPL</p> <p>Should be studied and considered when proposing the 2026-2030 MPL</p>
5	Access to the sewage system	Columbia Costa Rica Maldives	Columbia: distinguishing between rural and urban: urban areas are required to have access to public wastewater systems; in rural areas, there must be wastewater lines/use toilets that are not connected to wastewater lines.	Not yet included in Viet Nam's 2022-2025 MPL
6	Damage caused by natural disasters, environmental risks	El Salvador Panama	<p>El Salvador: in the preceding year, households have been damaged by natural disasters such as floods, landslides, avalanches, or are at high risk of soil erosion.</p> <p>Panama: homes damaged by floods, high tides, strong winds, drought or other natural phenomena (natural disasters).</p>	<p>Not yet included in Viet Nam's 2022-2025 MPL</p> <p>Should be studied and considered when proposing the 2026-2030 MPL</p>
7	Habitat pollution	Chile	Households are regularly subjected to various forms of environmental pollution (air, water, sound, visual, sight, insects, animals)	<p>Not yet included in Viet Nam's 2022-2025 MPL</p> <p>Suitable for countries with high living standards</p>
8	Proximity to sources of pollution and danger	Dominica	<p>Proximity to sources of contamination: households are in close proximity to sources of contamination, except for rural households that are close to pig and poultry farms.</p> <p>Being near a source of danger: households within 0.5km of sources that may pose an environmental risk (rivers, streams, lakes, ditches, coasts, erosion or landslide-resistant areas, drought or diversion of riverbeds).</p>	<p>Not yet included in Viet Nam's 2022-2025 MPL</p> <p>Should be studied and considered when proposing the 2026-2030 MPL</p>

9	Access to social insurance, unemployment insurance, pensions, green jobs	Green Growth Index (GGI) Viet Nam's Set of Green Growth Statistical Indicators	<p>Percentage of people participating in social insurance</p> <p>Percentage of people participating in unemployment insurance</p> <p>Percentage of the population over retirement age receiving pensions</p> <p>Number of workers with green jobs in the economy</p> <p>Distinguish access to clean water between rural and urban areas.</p>	Not yet included in Viet Nam's 2022-2025 MPL
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