

**SUMMARY REPORT ON INITIAL FINDINGS:  
FEASIBILITY STUDY ON  
STORM RESISTANT HOUSING CREDIT  
SCHEME AND LIVELIHOOD DEVELOPMENT  
FOR POOR HOUSEHOLDS  
IN DA NANG CITY**

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## EXECUTIVE SUMMARY

### Background:

This report summarizes the preliminary findings from a study funded by the Rockefeller Foundation supported Asian Cities Climate Change Resilience Network to assess the feasibility of a storm resistant housing credit program and livelihood training for female-headed households managed by the Da Nang City Women's Union (WU). The study was initiated in December 2010, with the leadership from a technical advisor from the INGO Challenge to Change, research and coordination by five representatives of Da Nang DoFA and the Da Nang WU, and field surveys with the support of 16 project assistants from local WU branches. Methods included a questionnaire survey of 400 households in four districts of Da Nang, individual and group interviews with households, and community meetings to validate information. The four study area districts of Lien Chieu, Son Tra, Ngu Hanh Son and Hoa Vang were selected for survey because of their vulnerability to storms, flood, and long-term climate impacts such as livelihood instability.

A number of participatory methods have been employed to evaluate existing programs related to storm resistant housing and micro-credit, capacities of the WU for credit program management, and potential partnership. These included focus group discussions with key officials and agency representatives; in-depth interviews with INGOs, vocational training centers, district and ward level People's Committees and WU Chairwomen, and other key agencies; and desk study and policy review. The team held an initial stakeholder workshop to introduce the study objectives, plan, and methodology, which assembled representatives of study areas and relevant agencies.

Study activities and revisions will continue into April 2011, with preliminary results reviewed by relevant departments and organizations, INGOs, local officials, and Vietnamese and international experts on March 17<sup>th</sup>. Following the workshop, the study team will meet for a final workshop to develop a full project proposal to be submitted to the Rockefeller Foundation.

### Key Initial Findings

**Local interest:** Over 80% of households surveyed expressed interest in participating in a credit-for-housing program. Of those households interested in borrowing loans, 91% said they would use this loan to repair and reinforce their houses, with only 9.3% interested in using the loan for new construction.

Households expressing a desire to participate in this type of program can be classified by household income level as below:

- 60.3% of surveyed households live below the poverty line. The majority of these households, particularly those with stable income, expressed interest in receiving loans for home repairs, as well as loans to support existing trade or training to assist them pursue higher income employment opportunities. A portion of poor

- households expressed reluctance to pursue a housing loan before stabilizing their income through smaller, business loans or vocational training.
- 11% of surveyed households are considered near-poor. These households have higher incomes than poor households, yet do not benefit from the same social support programs. Generally, these households expressed strong interest in repairing and upgrading their homes to storm resistant standards through a credit program.
  - 28% of households surveyed are considered middle-income. These households showed a strong desire to participate in the project to combine their savings with a loan to repair and renovate their homes to storm resistant standards.

**Current housing needs:** Of the housing classification system in Vietnam (temporary, semi-temporary, and permanent), the study shows that no households are currently living in temporary homes. However, the field surveys showed a large number of semi-permanent houses that have been severely degraded and do not withstand storms and floods. This includes 35%-82% of homes (depending on ward) lacking support columns and 73-95% with corrugated iron roof. Corrugated roofs are easily blown away during storms, resulting in rain entering the household causing damage to furniture and other household assets. In addition, the loss of roofs and impact of flooding can cause walls and ceiling to crack and collapse if not adequately supported. For these reasons, residents of these types of degraded semi-permanent houses are forced to evacuate during the rainy season to shelters or neighbors or relatives homes. The cost of repairing collapsed houses (10-15 million VND) or roofs (1-3 million VND) is partially compensated by funds from local government, mass organizations, or NGOs; however, financing in these instances is inadequate for applying storm resistant design techniques in the repair and renovation. Storm resistant techniques for housing are not currently mandated by the Department of Construction for new homes and repairs, but recognizing the economic benefit of building for storm resistance rather than rebuilding later, the department has expressed interest in working with the Women's Union to establish these types of guidelines.

The survey also found that no households in the survey area currently have access to septic latrines. 58% of households surveyed had access to composting latrines, 20% to temporary latrines, and another 20% had no latrines. This varied strongly between districts and wards. All households expressed a strong interest in upgrading their latrines. The lack of appropriate sanitation is highly climate sensitive, as without it waste is spread throughout the living areas during floods.

**Tenure and Land Ownership:** 91.3% of households have secure tenure and legally recognized right to the lands on which they reside, either through district level "Red Book" Land-Use Certification (LUC) or from legal recognition from the ward People's Committee. 7.9% of households are currently awaiting resettlement under the city master plan, for which they will receive compensation adequate to construct new homes but not to storm resistant standards.

**Livelihood Strategies:** The original ACCCRN project concept had proposed a "sweat equity" and training modality, through which participants would contribute their labor and

in turn would be trained in construction and contracting skills. However, of the households surveyed, only a small percentage expressed interest in entering industries related to construction. Of this group, all were young men. The surveys demonstrated a wide variety of livelihood interests to build skills to access higher income employment opportunities, including cooking, hotel services, and car repair. Interests varied considerably between districts, households, and individuals.

**Loan structure and repayment:**

Surveyed households felt that they would need 20-30 million VND for storm resistant upgrading of homes, with 89% favoring monthly combined principal and interest payment. Assessment by the study team suggests that larger loans of up to 50 million VND may be required for repairs and reinforcement to appropriate standards. Respondents favored an interest rate that is comparable to the Vietnam Bank for Social Policy's monthly interest rate of 0.65% (7.8% yearly) and monthly repayment of principle and interest.

**Existing programs and opportunities for poor households:** 60% of households surveyed are currently carrying debt through formal loans. A small number of these loans were from the Women's Union, but the primarily source of loans is the Vietnam Bank for Social Policy. Existing loan uses included house repair, latrine construction, purchase of production tools, school fees, or support for small businesses. These loan terms functioned primarily through monthly interest payment and principal payment at the end of loan term; however, as noted above most respondents favor monthly repayment.

While households may currently use loans to repair their homes, these loans do not obligate or provide technical assistance for the borrower to make improvements that will withstand storm and flood. Lack of awareness, additional expense, and insufficient loan size thus prevent households from making this additional investment.

**Capacity of WU for credit program management:** The Women's Union current operates several loan programs and has a well-established and reputable institutional structure. At the city level, several divisions under the Vice chairwoman Deputy Head of Management Boards are responsible for developing projects, financing and accounting, surveying and assessing credit needs and clientele, training staff and borrowers and publicizing services. A Project Management Board at the city level oversees district, ward and commune level Women Union's Project Executive Boards. At the ward or commune level, borrowers are divided into branches and in turn into credit and savings groups of 15-20 people. Groups meet monthly for members to pay the monthly principle and interest installment to the group leader, as well as make a deposit of 10-20,000 VND into an individual savings account, on which borrowers can draw during months when unable to make the installment, and collected fully at the end of the loan term. Loans are made to individuals; however, group members guarantee the individual loans. Participation is determined by surveys from the City Level WU and recommendations of the community and local officials. Most borrowers are women.

Currently, the WU offers small business loans (15 million VND maximum, 3-5-year term) and latrine repairs (5 million VND maximum, 3-year term). The monthly, interest rate is

0.85%, which is higher than the Vietnam Bank for Social Policy; however, the Women's Union nevertheless boasts a higher rate of repayment. This is attributed to a more effective institutional structure, attentive credit officers, and the use of monthly rather than bi-annual payments of principal and interest. The Da Nang Women's Union receives financial support in the form of grants or loans from the central government and a variety of international donors, including the World Bank, the Vietnamese-Belgium Credit Program, and Environment and Development Action in the Third World (ENDA).

The WU has never previously operated a credit-for-housing program for poor households (see below for note on World Bank funded housing project for non-poor households). WU staff at all levels Da Nang responsible for operating existing credit programs do not receive compensation for this work, and thus function as volunteers. Neither the financial capital nor the human resource is sufficient for meeting the current demand in the city for low-income loans. Additional resources for dedicated staff, computer software, training, and technical consultation for capacity development is required. The leadership is enthusiastic about building capacity, improving services, and learning innovative strategies from successful microfinance models in countries such as India and the Philippines.

**Opportunities for collaboration and support:** A number of organizations and agencies have offered their support and collaboration in developing and managing a credit for housing program. In particular, the Department of Construction has indicated that it would serve as the main technical partner to train builders on storm resistant techniques. It will also work towards the adoption of storm resistant housing design guidelines into city standard operating practices. The Fatherland Front has also expressed interest in collaborating with the WU program, by pooling resources for upcoming housing projects in Da Nang. The team is also seeking a microfinance advisor from Development Workshop France or comparable organization that has implemented housing-for-credit programs in Vietnam.

#### **Program Recommendations:**

In order to propose a specific model for a credit-for-storm-resistant-housing program managed by the WU, the study will conduct a thorough review of results and consult with stakeholders at various levels, including through the March 17<sup>th</sup> Review Workshop. The preliminary findings outlined in this report are sufficient, however, for making the following recommendations:

The study confirms the demand among vulnerable households for the three central mechanisms envisioned in the initial concept, of credit, housing, and livelihood development. The program will intend therefore to offer two types of loans: loans for rebuilding, repair, and reinforcement of existing homes, and income generation loans to support small business development. Households that are not currently eligible to participate in the former may join the program by applying for an income generation loan and/or by participating in vocational training, with the goal of applying for a housing repair loan in the future.

**Management structure and replication:** The program will build on the existing institutional structure and human resources of the WU for credit program management,

acknowledging the need for capacity development for managing a credit-for-housing program and additional human resources to respond to growing demand.

**Participating groups:** The proposed credit scheme will not target exclusively poor female-headed households, as was originally proposed, although the team will seek to design the scheme as to prioritize to these households. Other poor households, near poor households, and medium-income households will be able to apply as well.

**Livelihood opportunity enhancement:** Due to generally low interest in entering the construction industry careers (especially among women), it has been deemed unfeasible for the program to focus on training exclusively for this field. However, study results demonstrate a need to assist poor and near poor households to access new livelihood opportunities, both to support loan repayment and to more broadly build their resilience. There are two opportunities through which the program may provide such assistance:

- As an alternative to housing loans, the program will provide smaller, shorter-term business loans to households that do not qualify for a housing loan, but would like to stabilize their incomes so that they may qualify for future loan cycles. The program will seek to match potential participants with appropriate vocational training opportunities. Likewise, the objective of vocational training will be to stabilize incomes so that the household is able to take part in the housing credit program.

**Climate and DRR training:** The study identified a need for further training and awareness raising among households surveyed on climate change and disaster risk reduction, so that communities and households recognize the risks and costs associated with climate impacts and are better equipped to prepare and respond.

**Technical Assistance:** The Department of Construction will serve as the main technical partner for the project, providing training to construction workers and contractors involved in the project on design techniques for storm resilience. This department is a key partner as well for effecting larger change in the city, using this program to test and demonstrate the relative cost effectiveness of storm resistant housing techniques and eventually integrating these measures into design guidelines for all new constructions and renovations in the city. The WU will also work closely with the Fatherland Front on identifying, engaging, and mobilizing resources for housing, and will seek to identify one additional project partner as a technical consultant on the credit scheme design.

**Key remaining questions:**

In the coming weeks, the study team will incorporate additions and revisions proposed by local partners, ISET, and technical advisors. As the time approaches for submitting a full proposal, the following key questions will be prioritized with regard to the model and associated mechanisms of a housing-for-credit and livelihoods program in Da Nang to increase resilience of poor households:

- Desired breakdown and sources of finance;
- Size and composition of initial project group;

- Composition of loan portfolio
- Eligibility requirements for participation;
- Institutional structuring and capacity development of WU credit division;
- Specific role of partner organization and co-financing;
- Mechanism and requirements for vocational training



## I. INTRODUCTION

### Objectives of the feasibility studies:

- To specify the feasibility of the concept proposal and its scale for replicability, ensuring the sustainability of the credit scheme for housing rebuilding, repair and reinforcement for poor households, and mitigation of vulnerability to floods and storms for poor and near poor female-headed households.

### Methodology for the Feasibility Studies:

To fulfill the tasks of the feasibility studies, a combination of different methodology has been applied. They can be listed as follows:

- Desk study: secondary information collection and Policy review, reports on housing and credit programs, etc)
- Household survey: using questionnaires to conduct the household survey with 400 households in four districts.
- Household interview: using check list of poor single women households, poor female-headed households having temporary houses, many children, the disable, ill people, etc.
- Focus Group Discussion: the participants are (i) Key officials and representatives of agencies (2 representatives of Ward PC (leader and land office, Representatives of WU, Farmer Association, Section Management Unit, 2 field assistants in wards (WU and Poverty Reduction Division)
- Specific Group interviews with heads of households: using the questions in households interview with Poor female-headed households with many children and disabled, Households with housing need to move and resettle without ability to rebuild and temporary houses), Middle income and Well-off households.
- In-depth interview: with Chairwoman of WU of the city, District, commune and ward, People's Committees of districts and wards in the study areas, DOLISA, vocational training centers and INGOs
- Information validation through community meetings at wards level and FGDs as well as workshops.

### Process:

- Formulating the FS team to develop methodology for feasibility studies to define objectives of study, based on questions raised in Section 1.3 of proposal and to agree on the a range of methodologies to be used, questionnaires for household survey and check list for interviews. This first activity helps the FS team understand thoroughly about the methodology and work plan as well as a particular assignment of each team member.
- Organizing Workshop 1 (date) to introduce ACCCRN project, the initiative of WU and feasibility study program, plan and methodology. Participants attending the workshop were 6 study team members, 12 representatives of study areas from districts and 8

wards, 16 field assistants in 8 wards (1 from ward WU and 1 from Poverty Reduction), Red Cross, DOLISA and DOC. They discussed and reconfirmed the criteria for wards and household selections. Part of the workshop was training on FS methodology to local surveyors and the staffs from DOFA and WU, who involve in FS. Methodology and work plan as well as assignments for each team members were finalized.

- Organizing Workshop 2 (date) for presenting the main findings of the FS and validate the information collected as well as consultation/opinions from experts on housing and credit programs for project proposal development. Participants are all study team (06 members and 16 field assistants in wards), representatives from district and ward level Peoples Committees, expert on housing and credit program, Khun Somsook Boonyabancha (the ACCCRN Advisory Board Member) and representatives of relevant INGOs having housing programs in Vietnam, Red Cross, DOLISA, DOC and Climate Working Group.
- Organizing Workshop 3 (proposed date) for presenting a draft proposal and get opinions of further improvement for the final project proposal. Participants: the same as in Workshop 2.

**Study team:**

The survey teams was comprised of 6 local surveyors from the city Women’s Union, DOFA and other 16 local assistance at the field led by a technical advisor of the Challenge to Change Organization (CtC). The members of the team are:

- FS team leader is from CtC, who has been working for the second phase of ACCCRN;
- 1 DOFA staff to coordinate project activities, organize and plan project activities;
- 2 DOFA staffs, who have involved in proposing the concept note of the credit program for safer housing of the poor.
- 2 WU staffs (a vice-chairwoman and one officer), who have got certain experiences working on credit programs run by WU
- 16 local staffs from Ward Women’s Union Unites selected by the city WU as field work assistance.

**Survey areas:**

Son Tra, Lien Chieu, Ngu Hanh Son and Hoa Vang. Wards and communes surveyed within these districts were Hoa Hai, Hoa Hiep Bac, Hoa Hiep Nam, Hoa Quy, Tho Quang, Hoa Phu , Hoa Nhon, and Man Thai.

**Study timeframe:** December 2010 – April 2011

## II. GENERAL INFORMATION OF SURVEYED AREA

According to report of the Poverty Reduction Steering Committee of Da Nang, until 2010, the whole city has 23,296 poor households, accounting 13.68% of the total resident households. For the poor households, they are listed in the city poverty reduction target program to receive assistance, including loan program of policy bank, building houses (not storm resistant houses), providing education assistance for children, vocational training and providing job, receiving policies for social protection such as health insurance card for the poor. By 2010, the whole city has 9,305 households out of poverty and become near poor one. Under the rule, near poor houses have income of 150% compared with poor households. Therefore, the number of near poor households in the list of households out of poverty and the near poor people without receiving any preferential policies in Da Nang is very high.

| No | District     | Total households | Poor households in the early 2010 | Near poor households (out of poverty) |
|----|--------------|------------------|-----------------------------------|---------------------------------------|
| 1  | Son Tra      | 23,275           | 3,547                             | 1,354                                 |
| 2  | Ngu Hanh Son | 12,039           | 2,888                             | 1,087                                 |
| 3  | Lien Chieu   | 19,872           | 3,488                             | 1,318                                 |
| 4  | Hoa Vang     | 26,445           | 5,599                             | 1,816                                 |
| 5  | Cam Le       | 16,303           | 1,945                             | 922                                   |
| 6  | Hai Chau     | 39,650           | 3,356                             | 1,350                                 |
| 7  | Thanh Khe    | 32,684           | 3,366                             | 1,458                                 |
|    | <b>Total</b> | <b>170,268</b>   | <b>24,189</b>                     | <b>9,305</b>                          |

The lowest average income belongs to Hoa Phu Commune (1 million VND/month/household) and the highest one is in Tho Quang Ward (3.44 million/month/household). If we take the household average income of this month to divide the average number of people in each commune/ward, it is clear that the investigated households have rather low income, from 320,000 Dong/person/month (in Hoa Phu) to about 450,000 – 560,000 VN Dong/person/month in Hoa Hiep Bac, Hoa Hiep Nam and Man Thai. The highest average income per capita of 810,000 VN Dong/person/month belongs to Tho Quang.

At the time of writing, surveys of all 400 target households had been completed, with 90% of results have been included in this report, with the remaining 10% still to be analyzed. The study will be updated with those remaining results in advance of the March 17<sup>th</sup> review workshop.

**Income level:** Of the total households surveyed in this study, **60.3 % are poor, 11% near-poor, and 28.7 middle income.** The poverty and near-poverty line varies between inner and suburban city districts, as shown below:

Table: Poor, near-poor, and middle income households in Inner Districts

| <i>Inner Districts</i>   | <b>Households</b> | <b>Rate</b> |
|--------------------------|-------------------|-------------|
| Middle (TN>0.6)          | 92                | 33.3%       |
| Near-poor (0.6<=TN<0.5): | 18                | 6.5%        |
| Poverty (TN<=0.5)        | 166               | 60.1%       |
| Total                    | 276               | 100%        |

Table: Poor, near-poor, and middle income households in Inner Districts

| <b>Hoa Vang (suburban district)</b> | <b>Households</b> | <b>rate</b> |
|-------------------------------------|-------------------|-------------|
| Middle (TN>0.5)                     | 13                | 14.6%       |
| Close poor(0.5<=TN<0.4):            | 22                | 24.7%       |
| Poverty (TN<=0.4)                   | 54                | 60.7%       |
| Total                               | 89                | 100%        |

**Female headed households:** The table below shows the number of female headed households included the households surveyed:

| <b>Ward/commune</b> | <b>The surveyed households</b> | <b>Number of households which female heads of</b> | <b>Percentage of surveyed households that are female headed</b> |
|---------------------|--------------------------------|---|---|
| Hòa Hải             | 50                             | 5   | 10%   |
| Hòa Hiệp Bắc        | 50                             | 7   | 14%   |
| Hòa Hiệp Nam        | 46                             | 14  | 30%   |
| Hòa Nhơn            | 50                             | 15  | 30%   |
| Hòa Phú             | 49                             | 22  | 45%   |
| Hòa Quý             | 48                             | 6   | 13%   |
| Mân Thái            | 52                             | 3   | 6%  |
| Thọ Quang           | 49                             | 3   | 6%  |
| <b>TOTAL</b>        | <b>394</b>                     | <b>75</b>   | <b>19.04%</b>   |

### III. STUDY RESULT

#### 1. Opinions on project area and beneficiary selection

According to the result of the Workshop 1 and community meetings as well as discussion ideas of key officials, initial criteria for selecting feasibility assessment area are appropriate to select project areas. Lien Chieu, Son Tra, Ngu Hanh Son and Hoa Vang districts are areas easily vulnerable by storm and flood and long-term impact of climate change such as livelihood stability, health, and quality of life. Communes and wards that participated in feasibility assessment meet criteria for selecting project area because they are the most vulnerable places of those districts. Opinions of households and local authorities suggested that that the following criteria would be most appropriate for project site in the program:

- (i) Areas easily vulnerable by coastal and riverside terrains impacted by storm and flood and climate change;
- (ii) Areas have many poor households with downgraded semi-permanent four-level houses
- (iii) Areas have high rate of unemployment and unstable income.
- (iv) Beneficiaries from clearance areas who will be resettled in the near future, such that they are able to construct a storm resistant house in resettlement area (note: city resettlement programs will pay

The initial criteria for selecting beneficiaries focused on poor female-headed households. Selecting beneficiaries must ensure two main objectives, including (i) sustainability of credit program for housing and job to help poor households has income and increase their income (ii) Replication of the mode of improving houses with technique of storm resistance. It's difficult to ensure the objectives if we only follow the initial criteria.

According to assessment result, desire for participation in the program can be classified in the following main groups:

- i. Very poor households who have no jobs or unstable jobs with very low income do not want to borrow with interest to repair their houses under technical demands of storm resistance because they do not have any source to repay. They just want to have money to do business. To afford to participate in a credit-for-housing program, these households would need to increase and stabilize their existing income.
- ii. Poor households with rather low-income jobs want to borrow to repair their houses and develop the existing trade or learn other trade to have higher income for loan repayment. Likewise, these households would need to stabilize their income before feeling confident to take out a housing loan.
- iii. Near poor households who can afford to repay extremely desire to participate in the project to use their savings and loan to repair their houses under technical demands of storm resistance. Criteria initially proposed are basically accepted, but focusing on poor female-headed households (not feasible). Therefore, most of opinions

proposed to add near poor households into criteria for selecting beneficiaries. Criteria for selecting beneficial households are unified and arranged in order of priority of importance as follows:

- (i) Poor households and near poor households:
  - Have needs of loan for repairing houses and can repay (specific criteria to determine for ability to repay will be established by the study team)
  - Have Land tenure certificate;
  - Give priority to female-headed households
- (ii) Medium-income households in needs of building, repairing and reinforcing their houses;
- (iii) Vocational training and business loans:** select poor households who are in needs of repairing houses and developing their economic situation but don't dare to borrow because they will not be able to repay with their unstable jobs and incomes. They want to have vocational training and loan to do business (stabilize livelihood to borrow money to build their houses...)

## 2. Housing situation:

According to housing classification of Viet Nam, there are 3 kinds of housing, including (i) Temporary house (made of bamboo), (ii) semi-concrete house (Four-level house or also called house without iron-concrete column) and (iii) concrete house (house with iron-concrete column, concrete or iron sheet roof, tiled roof or many floors). Under the above classification, the survey result and observation of survey officials showed that wards in surveyed areas of Da Nang have no temporary houses, mostly semi-concrete house built since a long time, downgraded and impossible to resist storm and flood. This kind of housing belongs to poor and near poor households. Due to limited budget, they can not afford to repair or reinforce their houses although they are extremely downgraded. Every year, they have to evacuate to reinforced houses of their neighbor or relatives in the rainy season.

Houses of surveyed households were built earliest in 1975 (Ms. Nguyen Thi My Hanh, Man Thai ward) and the latest in 2010. 40% of households answered their houses were built over 10 years and if consider the longevity of the house in every 10 years, we have the following table:

| <b>Building Year</b> | <b>Number of houses</b> | <b>Rate</b> |
|----------------------|-------------------------|-------------|
| From 2000-2010       | 75                      | 60%         |
| From 1990-1999       | 30                      | 24%         |
| From 1980-1989       | 9                       | 7%          |
| From 1970-1979       | 8                       | 6%          |
| Before 1970          | 2                       | 2%          |

Among houses of these households, there are a lot of weak structure houses with cement wall (without supported columns) and corrugated iron roof (Table)

| Wall                  | Roof                                | Hoa Hiep Bac |            | Hoa Hiep Nam |            | Hoa Phu   |            | Man Thai  |            | Tho Quang |            | Total      |             |
|-----------------------|-------------------------------------|--------------|------------|--------------|------------|-----------|------------|-----------|------------|-----------|------------|------------|-------------|
|                       |                                     | #            | %          | #            | %          | #         | %          | #         | %          | #         | %          | #          | %           |
| With column           | concrete entresol                   | 1            | 2%         | 1            | 2%         | 0         | 0%         | 0         | 0%         | 0         | 0%         | 2          | 0.8         |
| With column           | Concrete                            | 0            | 0%         | 0            | 0%         | 0         | 0%         | 0         | 0%         | 1         | 2%         | 1          | 0.4         |
| -                     | Tile                                | 0            | 0%         | 8            | 17%        | 0         | 0%         | 1         | 2%         | 1         | 2%         | 10         | 4.1         |
| With column           | Tile                                | 1            | 2%         | 0            | 0%         | 0         | 0%         | 0         | 0%         | 0         | 0%         | 1          | 0.4         |
| Without column        | Tile                                | 1            | 2%         | 0            | 0%         | 1         | 2%         | 1         | 2%         | 7         | 14%        | 10         | 4.1         |
| -                     | Corrugated iron                     | 8            | 16%        | 21           | 46%        | 23        | 47%        | 7         | 14%        | 6         | 12%        | 65         | 26.4        |
| With column           | Corrugated iron (concrete entresol) | 1            | 2%         | 0            | 0%         | 2         | 4%         | 0         | 0%         | 1         | 2%         | 4          | 1.6         |
| Plank                 | Corrugated iron (concrete entresol) | 2            | 4%         | 0            | 0%         | 0         | 0%         | 0         | 0%         | 0         | 0%         | 2          | 0.8         |
| Wood                  | Corrugated iron                     | 0            | 0%         | 0            | 0%         | 3         | 6%         | 0         | 0%         | 0         | 0%         | 3          | 1.2         |
| With column           | Corrugated iron                     | 2            | 4%         | 0            | 0%         | 0         | 0%         | 3         | 6%         | 0         | 0%         | 5          | 2.0         |
| <b>Without column</b> | <b>Corrugated iron</b>              | <b>33</b>    | <b>66%</b> | <b>15</b>    | <b>33%</b> | <b>18</b> | <b>37%</b> | <b>28</b> | <b>54%</b> | <b>33</b> | <b>67%</b> | <b>127</b> | <b>51.6</b> |
| Without column        | -                                   | 0            | 0%         | 1            | 2%         | 0         | 0%         | 0         | 0%         | 0         | 0%         | 1          | 0.4         |
| Without column        | -                                   | 1            | 2%         | 0            | 0%         | 2         | 4%         | 11        | 21%        | 0         | 0%         | 14         | 5.7         |
| Without column        | Badly damaged                       | 0            | 0%         | 0            | 0%         | 0         | 0%         | 1         | 2%         | 0         | 0%         | 1          | 0.4         |
|                       |                                     | 50           | 100%       | 46           | 100%       | 49        | 100%       | 52        | 100%       | 49        | 100%       | 246        | 100.0       |

If we classify the house structure according to wall and roof, we can see that wall without supported columns take up from 35% (Hoa Hiep Nam) to 82% (Tho Quang); in term of roof, the corrugated iron material take up from 73 to 95%

Storms mainly cause roof and pieces of metal roofing to blow away or tear off. Accordingly, once the roof is damaged or blown away, it is quite likely that house walls are cracked and ceiling is collapse. Without the roof to cover the house, rain will ruin furniture and other properties in the house. Rain also floods low areas, causing walls to collapse and sweeping away properties. Most of houses in local communities of survey area were built without building techniques. Even houses built under “Solidarity house” or “House of mercy” were not thoroughly applied techniques to resist flood and storms as budget was supported only from 15-20 million dong. Thus, in case of storms, those household must move to other solid buildings such as schools or their relatives or neighbors’ houses.

According to interviews with local residents, it costs averagely 10-15 million dong to repair collapsed houses and 1-3 million dong for blown-away roof after disaster. As this is quite a large amount of money to poor and near poor households, expenses for house repair mostly come from funding resources of local government, mass organizations and NGO allocated in emergency relief programs. Although there is no consistent support amount for damage, on average, the city PC gives 5 million dong to every collapsed house and 2 million dong to house that gets roof blown-away). Although it would be more cost-efficient for households to repair using storm resistant techniques following, they are not usually able to afford the extra amount required for this up front. Frequent spending on house repair whenever storm occurs has worsened poor and unstable conditions of poor and near poor households who have to live in unsafe houses in areas prone to cyclone and storm such as districts of Son Tra, Lien Chieu, Ngu Hanh Son and Hoa Vang.

**Latrine**

No houses in the survey area had septic latrine, which are considered to be the most hygienic. Rate of households having composting latrines is low in Hoa Phu (27%) and Hoa Hiep Nam (41%). In surveyed households in these wards, rate of households having temporary latrines in Hoa Hiep Nam is rather high (48%) while there are many households without latrines in Hoa Phu (63%). In general, rate of households having composting latrines in this survey only reaches 58% while rates of household without latrine or with temporary latrines are approximately equal and each accounts for 20%. During flood, composting latrines and temporary latrines are unhygienic, with flood water causing waste to spread.

100% of surveyed households expressed a desire to upgrade their latrines.

**Security of Tenure:**

Households can acquire legal land use rights in two ways: through i) district level “Red Book” Land-Use Certification (LUC) or ii) from legal recognition from the ward PC that they have a right to live in the area legally. The procurement of a Red Book is in itself an investment, as it requires application and payment. Normally, the possession of a Red Book enables a household to use their home as loan collateral, whereas ward level recognition does not.

7.9% of surveyed households (all in Son Tra and Ngu Hanh Son) are residing in areas that under the urban development plan will be cleared for urban development or renovation. These households will be resettled and will have land use rights in their new areas.

| <b>Land Tenure Status</b>                 | <b>Frequency</b> | <b>Percent</b> |
|---|------------------|----------------|
| Ward level approval                       | 182              | 46.70%         |
| Having no legal status, waiting clearance | 12               | 3.10%          |



|   |            |                |
|---|------------|----------------|
| Having land use certification (red book)                                  | 174        | 44.60%         |
| Having land use certification (red book) awaiting clearance               | 14         | 3.60%          |
| Awaiting clearance  | 5          | 1.30%          |
| Hire house  | 2          | 0.50%          |
| Share a room  | 1          | 0.30%          |
| <b>Total</b>  | <b>390</b> | <b>100.00%</b> |
| <b>Total with legal recognition and secure status at current location</b> | <b>356</b> | <b>91.3%</b>   |
| <b>Total awaiting clearance</b>   | <b>31</b>  | <b>7.9%</b>    |

### 3. Employment

Working age population in surveyed households (aged 15 to 65)

| Commune/Ward | Male | Female | Total |
|--------------|------|--------|-------|
| HOA HIEP BAC | 54   | 61     | 115   |
| HOA HIEP NAM | 50   | 82     | 132   |
| HOA PHU      | 18   | 44     | 62    |
| MAN THAI     | 68   | 76     | 144   |
| THO QUANG    | 68   | 70     | 138   |
| Total        | 258  | 333    | 591   |

Hoa Hiep Bac and Hoa Hiep Nam are the two wards that have higher working age population outside the labor force than the others. The labor force participation rate for female population are always lower than male.

Table: Labor Force Participation Rate

| Commune/Ward | Male | Rate (*) | Female | Rate (*) | Total | Rate (*) |
|--------------|------|----------|--------|----------|-------|----------|
| HOA HIEP BAC | 17   | 72.10%   | 26     | 57.4%    | 43    | 62.6%    |
| HOA HIEP NAM | 12   | 85.40%   | 20     | 75.2%    | 32    | 75.8%    |
| HOA PHU      | 1    | 97.70%   | 5      | 88.6%    | 6     | 90.3%    |
| MAN THAI     | 6    | 92.30%   | 16     | 78.9%    | 22    | 84.7%    |

|           |   |       |   |       |   |       |
|-----------|---|-------|---|-------|---|-------|
| THO QUANG | 3 | 95.7% | 4 | 94.3% | 7 | 94.9% |
|-----------|---|-------|---|-------|---|-------|

Note: (\*) = rate (%) in comparison with working age population

#### *Reasons for not working*

Apart from the female (15.7%) and male (29.6%) population aged 16 – 25 going to school, the rest of both genders are not working due to their health conditions (diseases, old and weak) or unstable jobs. For women, their pregnancy and looking after of their children or doing house works are specific reasons that limit their opportunities for settled job.





#### **4. Need of house rebuilding, repair and reinforcement and construction practice**

Regarding carried out housing credit programs for poor people, 16.6% of interviewees said they were aware of these programs (83.4% said “no”) but unclear of its implementation. They might mistake housing credit scheme for poverty reduction or building houses of mercy programs.

Most of interviewees (93.5%) agreed that storm resistant housing credit scheme for poor people is necessary because of many reasons but the most important is to facilitate poor people to *repair* and *reinforce* their houses, ensuring safety for their families.

81.1%--nearly 300 in total-- desired to get a loan for storm resistant housing. However, 90.7% of this group said they would use this loan to repair and reinforce their houses and only 9.3% said they wanted to build new houses.

Women are believed to be the decision-maker for participating in the credit scheme for house rebuilding, repair and reinforcement with 53.4% of interviewees had the same answer.

| <b>Who decides to participate in the housing credit scheme and signs for the loan?</b> | <b>Frequency</b> | <b>Percent</b> | <b>Cum Percent</b> |   |
|--|------------------|----------------|--------------------|---|
| <b>Both male and female</b>  | 65               | 34.0%          | 34.0%              |  |
| <b>Male</b>  | 24               | 12.6%          | 46.6%              |  |
| <b>Female*</b>   | 102              | 53.4%          | 100.0%             |  |
| <b>Total</b>   | 191              | 100.0%         | 100.0%             |  |

\*Note: the larger percentage of responses indicating that women should determine and take responsibility for the loan reflects the relatively large number of female-headed households among the households surveyed.

To ensure good storm resistant housing in these localities, most of interviewees suggested a 20-30 million dong loan (63.3%) and monthly loan repayment (89.1%).

## 5. Sweat equity







97% of households said that they would not take part in sweat equity involving heavy and time-consuming construction labor. There are several reasons for the interviewees who did not want to be involved in sweat equity. Most of them are time and laborers constraints (for example very few people in their households, bad conditions of health, no spare time due to their daily earning jobs).

Sweat equity was only applicable in rural and mountainous areas in the past where laborers could not be found. Nowadays, most of residents have jobs and don't have time to take part in sweat equity. Moreover, contractors have their own builders and workers. Therefore, cooking for builders and construction materials handling are the most selected options of the interviewees.

## 6. Need for job training

The need for job training for the interviewees is of high rate at two wards of Son Tra district.

When asked about their expectations on construction jobs, the majority of respondents responded negatively. Only 7 people expressed interest in working in the construction industry, and most of them want to be trained in mason skills. The expected trainees are men in their households (their husbands and sons).

| <b>Construction jobs that the interviewees want to take</b> | <b>Frequency</b> | <b>Percent</b> | <b>Cum Percent</b> |   |
|---|------------------|----------------|--------------------|---|
| <b>Construction materials supplier</b>                      | 1                | 14.3%          | 14.3%              |  |
| <b>Contractors, and builders</b>                            | 1                | 14.3%          | 28.6%              |  |
| <b>Makers of glass and aliminium windows and door</b>       | 1                | 14.3%          | 42.9%              |  |
| <b>Masons</b>   | 3                | 42.9%          | 85.7%              |  |
| <b>Builders</b>   | 1                | 14.3%          | 100.0%             |  |
| <b>Total</b>  | 7                | 100.0%         | 100.0%             |  |

Beside construction jobs, many other jobs get the interviewees' interests. Cooking skills, hotel services and car repair are their most interests.

Expected trainees are up to each family. Most of them will be daughters, sons and wives.

## 7. Loans

60,2% of the interviewed households said they had got loans from various sources. 5-7% of this group had received loans from the Women’s Union credit programs. The remaining borrowers had borrowed from the Bank for Social Policies and the People’s Credit Fund.

The main purposes of loans are to repair their houses, make toilets, and purchase production tools. The loan were also be used for school fees for their kids and their small business. Terms of loans were under 5 years (99%) and 50% of the households got the loans of 7 million VND to 10 million VND. 95 % of the households said their women could access the loans while there were a few men (5%). There were two methods of repayment: monthly interest and principal repayment, (35.2%), and monthly interest repayment and principal paid at term – end (62.5%). 87.3% said the loans were effectively used.

| Repayment methods   | Frequency  | Percent       | Cum Percent   |  |
|---|------------|---------------|---------------|--|
| Monthly principal paid and interest paid at term – end      | 3          | 2.3%          | 2.3%          |  |
| Monthly interest and principal repayment                    | 45         | 35.2%         | 37.5%         |  |
| Monthly interest repayment and principal paid at term – end | 80         | 62.5%         | 100.0%        |  |
| <b>Total</b>  | <b>128</b> | <b>100.0%</b> | <b>100.0%</b> |  |

## 8. Awareness of Disaster Risk Reduction (DRR) and Climate Change (CC)

Addressing the question: Have you ever heard CC?, more than 50% of the interviewees knew nothing about “CC” and there was a difference of the answered rates between the surveyed communes and wards. The answer “yes” was very few at Hoa Phu communes (10%):

| Have heard CC | HH B | %   | HH N | %    | HP | %    | MT | %    | TQ | %    | Tổng | %    |
|---------------|------|-----|------|------|----|------|----|------|----|------|------|------|
| Yes           | 19   | 38  | 12   | 26.1 | 5  | 10.4 | 42 | 82.4 | 33 | 67.3 | 111  | 45.5 |
| No            | 31   | 62  | 34   | 73.9 | 43 | 89.6 | 9  | 17.6 | 16 | 32.7 | 133  | 54.5 |
| Total         | 50   | 100 | 46   | 100  | 48 | 100  | 51 | 100  | 49 | 100  | 244  | 100  |

For the ones who knows CC, the main information channel was from the mass media, mostly from television (above 90%) and radio and newspaper. Some got the information from their friends, children, internet and social activities.

Among 246 households/people interviewed, only 8 households that had sent their family members to training courses including 3 persons taking part in training for storm resistant

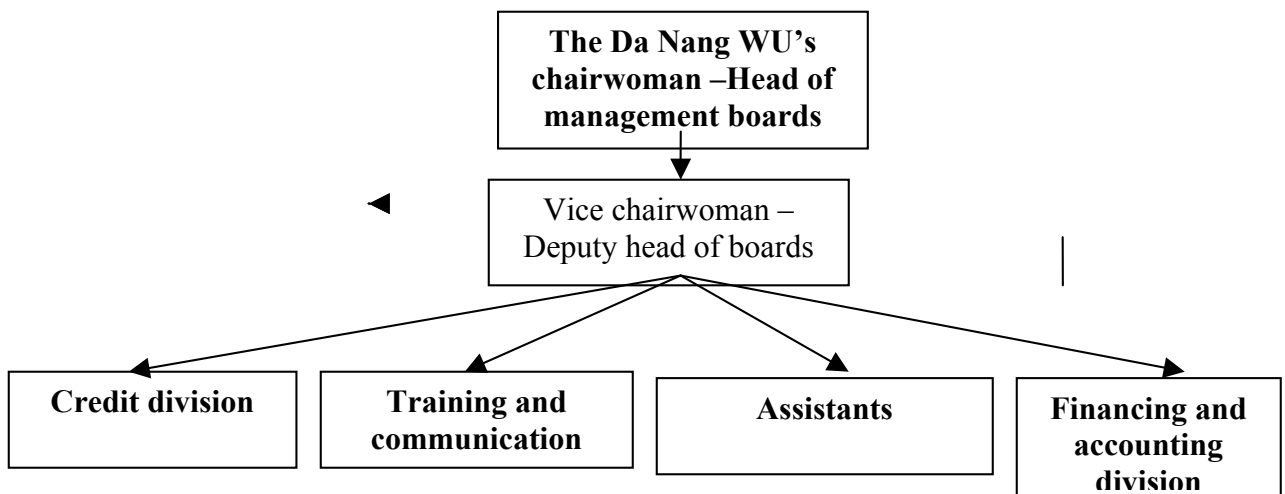
housing, 3 persons for disasters risk management and CCA, 2 persons for loan management.

## 9. Capacity of credit management of the Da Nang WU

The Da Nang WU has its wide network from the City WU to districts' WU and communes/wards' WU. Under communes/wards WU, there are a lot of women groups at residential areas. This organization system is well - operated on reciprocal responsibilities and management. The projects' members depend on each project.

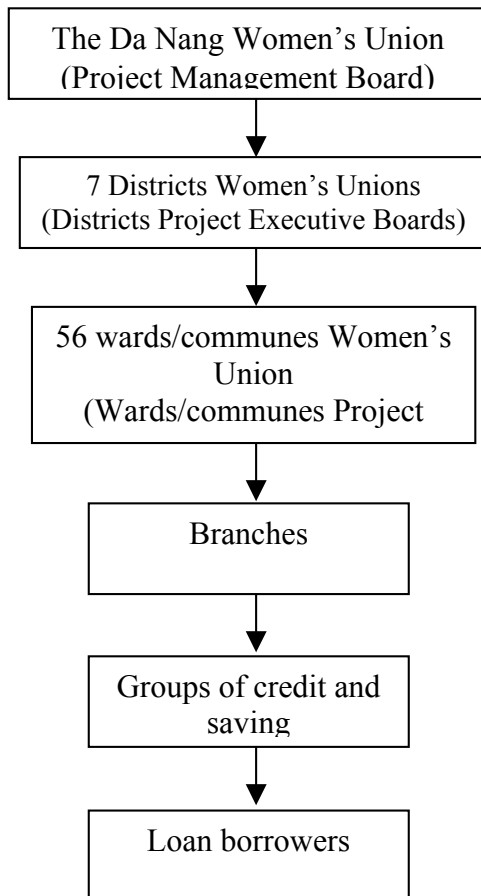
The network of women's groups consists of the women who have gained experience in credit management. They are enthusiastic and hard – working so they can operate projects effectively. Once projects offered, the Da Nang WU forms projects' management boards according to the organization chart below:

### The Da Nang WU's credit management structure At the City level



- Head of management boards is responsible for projects.
- Deputy head of the management board: assistant of the head who is responsible for all the activities of projects, and work with the related agencies to coordinate projects.
- Assistants:
- *Projects' assistants*: consulting plan building and implementation of projects.
- *Credit division*: making surveys on loan need and participating in consideration of documents asked for loans.
- *Training and communication division* publicizing projects' activities in communities and to loan borrowers; providing training for management boards at all levels, credit and saving staff and loan borrowers.
- *Financing and accounting*: operating accounting systems for projects based on the legal regulations.

## Outline of the WU's credit management



At presents, the WU's management measure is giving loans in groups, procedure is as follows:

- Each ward level Women's Union unit is divided into several branches. Branches are divided into credit and savings groups of 15- 20 borrowers. These groups elect a leader, secretary or accountants. Each group sets up their own suitable regulations, determines detail targets and activities. All participants and leaders are volunteers and receive no payment for services.
- Borrowers are primarily women.
- Groups meet monthly for members to pay the monthly principle and interest installment to the group leader, as well as make a deposit of 10-20,000 VND into an individual savings account. The savings account is held by the group and can be drawn upon by the individual for months that they are unable to repay their loan and interest installment. At the end of the loan term, the individual is able to collect the contents of the savings account.
- Loans are made to individuals; however, group members gurantee the individual loans. Group dividing is aimed at helping members access to loans, support, mutual assistance during using and repaying loans, self-supervising and taking responsible in group.

- Group leaders provide credit officers with reports about loans and using loans situation within their groups; credit officers then submit to the City Management board (in order to consider giving new loans);

When initiating a program in a new ward, the City Women's Union works directly with the ward level WU to survey poor households, and holds communities meetings to clarify the purpose of the program and criteria for participation. The ward community will then participate in choosing the appropriate households to participate in the program. This list is sent to the city WU Management Board, which will conduct a further survey before approving the list. Each household must complete an application detailing the household profile and income, which is verified and approved by a representative of the local People's Committee.

### **Loan types and structure:**

Currently, Women's Union loans have a variety of purposes and sizes:

- o **Small business:** 15 million VND maximum, 3-5 year term,
- o **Latrine repair:** 5 million maximum, 3 year term.
- o **Home repairs** (special project of the World Bank ONLY for homes that have been displaced due to recent WB land raising project): 15 million maximum

The repayment mode for all projects is monthly principal and monthly interest. The Women's Union uses a 0.85% monthly interest rate (10.2% yearly). This is higher than the 0.65% interest rate charged by the Vietnam Bank for Social Policies; however, the Women's Union nevertheless boasts a higher rate of repayment due to a more effective institutional structure and the use of monthly rather than bi-annual repayments. The default rate for Women's Union programs is currently less than 1%.

### **Funding and Operations:**

Women's Union staff at all levels Da Nang responsible for operating the credit program are not compensated for this work as part of their normal salary. Thus, all of the time they contribute to project management is volunteer hours. Any revenue from interest rates is used to cover non-staff expenses, for instance petrol for travel. 15% of the revenue from interest is held as a contingency against risk of default. The revolving loan fund used to provide loans is financed by government or external donors.

The Da Nang Women's Union receives financial support in the form of grants or loans from the central government and a variety of international donors, including the World Bank, the Vietnamese-Belgium Credit Program, and ENDA. More information on funding sources is available in the Women's Union Annual report.

### **Advantages of the Women's Union credit scheme model**

#### **To members:**

- Loans and interest is divided into small amounts, and kept up installments during loan, it is much better than immediate payment. Each member may have a large amount of money at the end of loan term without any paying out for loans.
- The strongly of monthly repayments and monthly savings reduces the risk of members falling into high debt at the end of the loan.

- In order to amortize their loan monthly, each member must be active in their own production and not only depend on profit from sale of products. It also requires them to be well-organized and good at saving.

#### **To the Union**

- Help increase loan resources and number of women that access to loans
- Control loss in cases of risks
- Improve management capacity of officers at all levels

#### **Mobilize saving in community via groups of credit and saving**

An important activity of funds mobilization in this WU's project is encouraging saving. Besides resources mobilized in the program, this activity also helps increase internal loan resources of the community. In order to effectively mobilize saving, loaned should be imposed on saving balance. The interest rate depends on time; it is accounted monthly and transferred to members' principal deposit accounts. This amount of money will be added to the revolving fund for lending. Community saving mobilization will encourage members to save more and refrain from spending their saving on unimportant purposes.

#### **Strengths**

- Well-experienced in implementing credit projects
- Base on structure of the Union, understand and meet people's needs of loan.
- The Women's Union has a strong reputation, from City level to lowers ones.
- Procedures and conditions are all simple;
- Measures of loan and interest are flexible, which are suitable for different loaned.
- Computer software to manage loan and officers running the system are available. This could supervise; manage loan repayment of every household.
- The Union and its credit activities have very high reputation at wards. This is the best loan resources for poor people at present. It also links financial services to social activities.

#### **Weaknesses**

- Capital is very limited and mostly depended on international donor financing funding. Almost every officer has to hold different positions.
- Staff functions on a volunteer basis for credit program
- Credit program is under-staffed and under-resourced
- Existing staff are not professionalized trained as credit program managers.
- The City Women's Union has financial and credit management software, but the communes and wards do not have the benefit of this

#### **Opportunities**

- Obvious improvement of law toward micro-finance programs (E.g. the 28<sup>th</sup> decree by the Government, the 165<sup>th</sup> decree on operating micro-finance of organizations, and the newly issued Law of Credit) has facilitated the operation and policies of small credit services. These recent reforms provide a legal frameworks that local governments can follow, whereas earlier they were required to seek approval from central government. The decentralization allows for great flexibility for the Da Nang Women's Union to operate their programs.

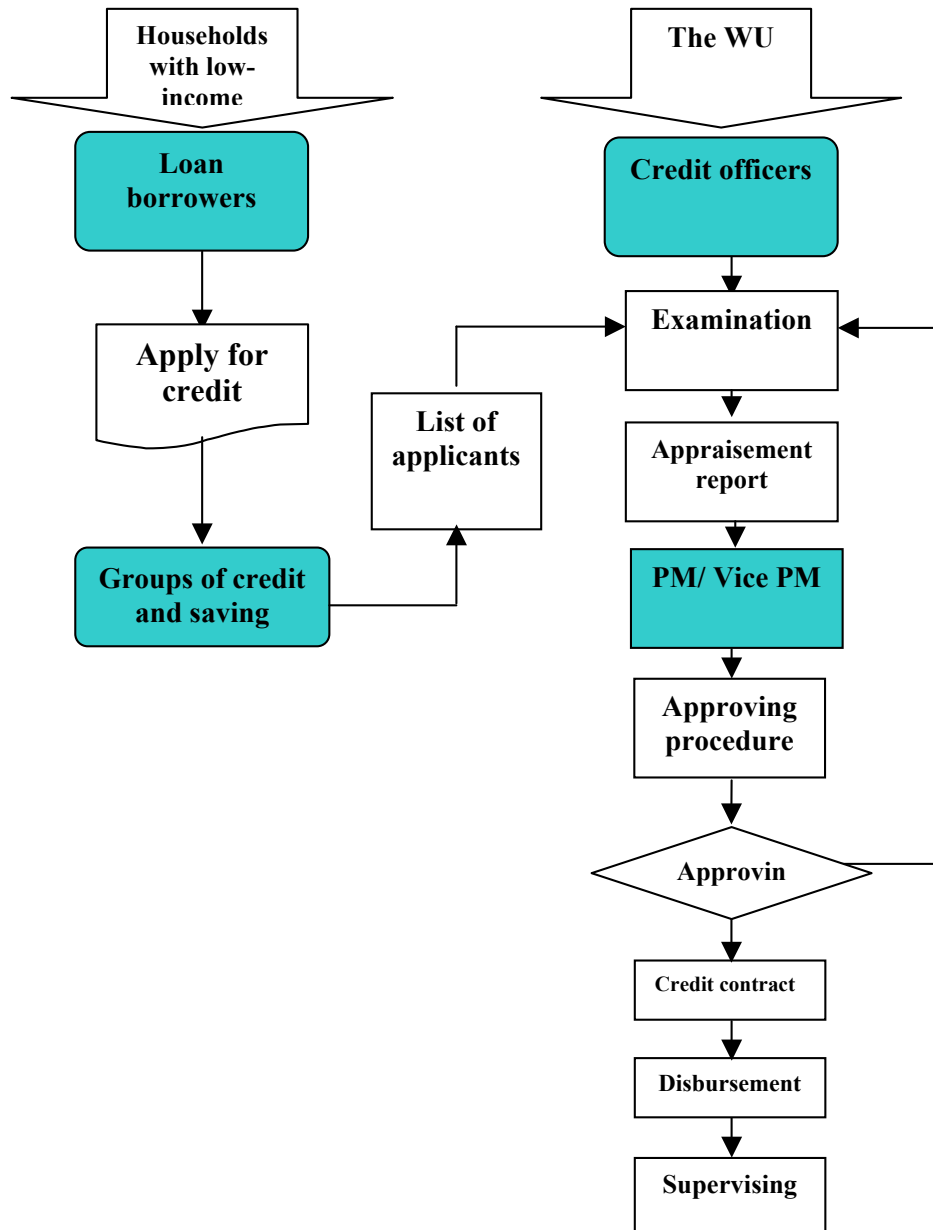


- Women's Union staff are enthusiastic about improving their programs and innovating. They would like to receive training through programs in countries where microfinance for housing has successful models, such as in India or the Philippines.

**Threats**

- Housing credit projects require different financial management measures than other program previously managed by the Women's Union.
- The increasing need of capital put the Union under high pressure. There is a need for dedicated staff and capacity development.
- Number of people, demanding for capital via the Union and getting information, increases every day, meanwhile the WU's finance and human resources for credit management are very limited

### The current credit management of Women's Union



### 11. Cooperation of related authorities and organization

All interviewed senior officers at departments (Department of construction, Fatherland Front Committee, Department of Labor, Invalid and Social affairs and representatives for wards People's Committee) supported the project and undertook to cooperate with the WU while implementing the projects, for example:

- **The Department of Construction** (DoC) has publicized samples of houses designed as storm resistant techniques on their website. This office will also open courses send trainers of storm resistant housing at wards. DoC has indicated that it will participate in the program by providing training to local contractors and

- construction workers responsible for building homes. In addition, the program can serve as a platform through which DoC will develop an official guideline for storm resistant housing, which would in turn be applied to all residential houses in Da Nang.
- **The City Fatherland Front Committee**, with many wards branches, is very well-experienced in mobilizing financial support from enterprises, individuals and organizations for Houses for the poor. In 2011, the Fatherland Front will initiate a program to support 150 houses with grants of 20 million VND per household. Without partnership, these would be standard, non-storm resistant house. This committee also has experience in choosing appropriate households and building houses of mercy. Therefore, it will cooperate to choose poor household and combine the “House of great unity” with this projects, and supervise implementation through local branches; The funding for Houses of Great unity might be pooled with money for the credit for housing program, to add grant funding and therefore reduce the loan amount. Representatives of the Fatherland Front have expressed interest in this type of collaboration.
  - **Local governments (of wards/communes)** support idea of storm resistant housing and undertake to carry out the project effectively and join the progress.
  - **PLAN International Organization** in Da Nang has been opening vocational courses and ensuring jobs of their trainees. PLAN agreed to cooperate with the project in vocation education and job placement.
  - **Vocational center of the WU** has opened many courses for women and young people. This center, in cooperation with PLAN, will deal with vocational education.
  - **The Development Workshop France Organization (DWF)** and **Save the Children** are those who have experience in building houses for the poor and applying storm resistant techniques, therefore they will help design house model and set up procedure for building those houses in the community.

#### IV. CONCLUSION AND INTIAL RECOMMENDATIONS:

Following further consideration, discussion among the feasibility study team, and consultation with technical advisors, the feasibility study team will propose one or more detailed schemes for a housing for credit program in Da Nang. However, preliminary results outlined above have enabled the team to make the following initial recommendations:

##### 1. Region and household selection:

- The surveyed region will be the project implemented region. Especially, Hoa Vang is a storm and flood affected locale and then its vulnerability is so high. Moreover, the local people’s living essentially depends on farming and many people have not now had their land to farm because of the urbanization. The situation affected badly their means of living and accommodation. Consequently, there should be a long-term assistance to ensure the demand and living of the people in the region.
- The survey result shows the great need of house rebuilding, repair and reinforcement with technique of storm and flood resilience it’s satisfaction of the local people and authorities’

demand. Criteria agreed by the local authorities and community seminars which are reported as above are the foundations for choosing the beneficiaries of the project.

**2. Women working in fields of construction and sweat equity:** Most people surveyed sweat equity in building and women's working in construction field. Because of unfeasibility, it is agreed that this content is not mentioned in the project, skill training of construction and sweat equity is not applied in the project.

However, a number of young men living in the surveyed area expressed interest in pursuing further construction training. Therefore, the program may still include a component on construction training and sweat equity for appropriate households.

### **3. Credit scheme**

- The survey result shows that there has not been any credit scheme for storm/flood resistant housing in Da Nang yet. Therefore, if being approved, this project will be the first credit scheme for rebuilding, repair and reinforcement of storm/flood resistant house in Da Nang.

- The survey also confirms a need for loans or vocational training programs for poor households currently in need of housing repair, but who need to stabilize their income before borrowing a loan of this type.

- The Women Union owns their experience, credit scheme management ability, good loan management software and the skilled technicians. Therefore, the credit scheme should be organized and implemented same as the Women Union process. After classifying the household and bodies' ideas relevant to programs of accommodation and vocational training, the loan of the credit scheme for rebuilding, repair and reinforcement of storm/flood resistant house should be as followings:

#### a. Loan rate, loan term and interest rate

- \* Loan for housing:

- Loan rate: not more than 50 millions VND/household (depending on each household's demand)
- Loan term: 5 years;
- Interest rate: from 0.6 to 0.65% yearly
- Mode of loan repayment: Monthly repayment (capital and interest)

- \* Loan for business:

- Loan rate: from 5 to 10 millions/household
- Interest rate: from 0.6 – 0.65%
- Mode of loan repayment: Monthly repayment (capital and interest)

- \* Rule: Each household can choose only one form of loan during a given period.

#### b. Mode of using interest rate

- Wage for payback officers;
- Management expense for the Women Union;
- Risk in payback.

#### **4. Vocational training**

Surveyed households have expressed strong desire to improve their levels of income through vocational training. Therefore, it is difficult for them to get a job in an office or company in the urban. The need of vocational training and job creation for people at labor-age, especially for the female in the regions is considered as an important issue.

It is necessary to focus on vocational training suitable to the female's working ability and market demand to ensure that after the training, trainees can get a job (services of family care, cooking, industrial sewing, and civil sewing...). The Job Service Center of the Da Nang Women Union in the connection with the PLAN International Organization's project is responsible for implementing the skill training.

#### **5. The need of raising awareness and capacity on climate change**

Base on the survey result, most of the people don't have basic knowledge and information about the climate change. Their awareness of the climate change impact and prevention is limited. Consequently, it is essential for propaganda to raise the awareness of climate change and technical application of storm and flood resistant housing.

#### **6. Project Budget**

- \* From the Rockefeller Fund
- \* Counterpart budget of the local
  - Percent of the counterpart budget of the City government.
  - Facilities such as: Meeting hall, sound system, offices.
- \* There should be reserve funds for emergent assistance if disaster happens during the project implementation.

#### **7. Mode of revolving loan**

- The repayment loan will be revolved continuously for other households in accordance with the project's criterions;
- The project period is expected from 10 to 15 years;
- After 10 -15 years, the loan is required to be given back the city budget in order to continue applying the project to other regions in the city. The sponsors can visit, update reports ... of the project.