

Received: October 2023 Accepted: December 2023

DOI: <https://doi.org/10.58262/ks.v12i1.001>

# Effectiveness of Implementing Poverty Reduction by Multi-Dimensional Poverty Levels in Viet Nam's North Central Region

Nguyen Viet Thanh<sup>1</sup>, Tran Van Dien<sup>2</sup>

## Abstract

*Poverty is a serious challenge that people and society face in the 21st century. It has become one of the most urgent issues. Poverty has happened globally, and Viet Nam's north central region is no exception. The article analyzes the role of implementing multi-dimensional poverty reduction policies in Viet Nam's north-central region and proposes some effective solutions that contribute to sustainable poverty reduction not only in Viet Nam's north-central region but also across the world.*

**Keywords:** North central region, Viet Nam, multidimensional poverty, poverty reduction

## 1. Introduction

Humanity has been entering the 21st century, facing many global issues, and poverty is one of the major barriers reducing the development and progress of people, each country, and the community of people. The poor often do not have access to social services such as jobs, education, health care, and information which make them less likely to escape poverty. Therefore, expanding options and capacity building for the poor is the best way to achieve sustainable poverty reduction.

According to the Ministry of Labour, Invalids and Social Affairs in 2015, currently, more than 32 countries in the world studied to convert and apply the income-based unidimensional poverty measurement approach to multidimensional poverty measurement for the purpose of identifying the poor, assessing, developing policies for poverty reduction and social development. Most of these countries are developing countries with rapid but unsustainable poverty reduction.

In fact, it is inadequate to base on income criteria to measure poverty. In essence, poverty means being denied basic human rights, being pushed to the margins of society, not just low income. There are many basic needs that cannot be met with money. Many cases have not low income but have difficulty accessing basic services such as jobs, dependents in the household, adult education level, children's schooling status, nutrition, health insurance, housing quality, housing area per capita, daily-life water sources, hygienic latrines, use of telecommunications services, information access tools. In addition, some households are not included in the list of poor households but lack services such as jobs, dependents in the household, adult education

---

<sup>1</sup> Vinh Long University of Technology education, Vietnam  
Email: [thanhnv@vlute.edu.vn](mailto:thanhnv@vlute.edu.vn)

<sup>2</sup> Dong Thap University, Vietnam  
E-mail: [diendhdt@gmail.com](mailto:diendhdt@gmail.com) (corresponding author)

level, children's schooling status, nutrition, health insurance, housing quality, housing area per capita, daily-life water sources, hygienic latrines, use of telecommunications services, information access tools, and students in remote areas have to study in old palm thatched-roof houses. Therefore, a unidimensional poverty measurement approach based on income or expenditure leads to missing the poor, and the unequal ineffective, and unsustainable implementation of poverty reduction policies.

At the same time, the poor may face various disadvantages which are difficulties in finding a job, dependents in the household, adult education level, jobs, children's education, nutrition, health insurance, housing quality, housing area per capita, domestic water sources, hygienic latrines, use of telecommunications services, means of communication, information access tools, medical care, education, housing, land, clean water, or electricity for the lighting system. "Using the income criterion is not enough to capture people's actual poverty. Poverty assessment needs to be approached more broadly from the perspective of integral human development. After nearly 40 years of innovation, development, and integration, Viet Nam has moved from a low-income country to a middle-income country, so the income-based unidimensional poverty assessment has revealed its limitations. It is time to consider and assess poverty from a multi-dimensional approach from the perspective of material poverty, human poverty, and social poverty" (Son., 2012).

In Viet Nam's north-central, over the decades, poverty has been measured and assessed mainly through income in a unidimensional approach. The poverty level is determined based on the level of meeting basic needs which is converted into money. If a person has a low income below the poverty level, they are classified as poor. This is the unidimensional poverty level set by the Government. However, the current poverty level in Viet Nam's North Central region is considered low compared to the world. In fact, many households have escaped poverty but their income is at the near-poor household level, so the number of near-poor households is very large. The rate of falling back into poverty is high. Every year, if there are three households that escape poverty, one of them falls back into poverty. [National Center for Socio-Economic Information and Forecasting., 2014:7). In the task of sustainable poverty reduction in Vietnam in particular and in the world in general, making an important contribution to the successful implementation of the Resolution of the 13th National Congress of the Communist Party of Vietnam, not only for a rich people, strong, democratic, just and civilized country Vietnam will not only end persistent poverty but also solve the millennium goal of eradicating illiteracy and improving the educational level of poor households and near poverty (Nguyen Viet Thanh, Tran Văn Dien., 2023)

Due to the limited scope of the article, we only analyze the role of multi-dimensional poverty reduction, its challenges and propose some basic solutions to improve the effectiveness of implementing poverty reduction policies according to multi-dimensional levels in Viet Nam's north-central region. The article aims to bring readers a new perspective on implementing practical policies according to the multidimensional poverty levels in Viet Nam's north-central region.

## **2. Literature Review**

Poverty is a problem that scientists and activists are interested in researching. In recent years, the research on implementing poverty reduction policies has been mentioned more or less, directly or indirectly in the works of scientists. First of all, there are scientific research works.

The report “Climbing the Ladder: Poverty Reduction and Shared Prosperity in Vietnam” (World Bank., 2018) affirmed that Viet Nam has made remarkable achievements in poverty reduction through controlling inequality. The country’s broad-based growth reflects the government’s focus on developing labor-intensive export sectors while investing heavily in human capital which saw the country exceed its peers. However, gains have been concentrated among the Kinh and Hoa ethnic majority, while minority groups have not only continued to experience poverty rates far above the national average but have seen slower progress too. In the period 2012-14, ethnic minorities' poverty rates decreased by nearly 2 percentage points, and nearly 58% of ethnic minorities still live in poverty. Viet Nam's poverty reduction program should focus more on social exclusion. The government has realized the problem and implemented many poverty reduction programs in lagging communities in order to achieve the poverty reduction target which is more than 1.5 percentage points per year.

According to International Bank for Reconstruction and Development/World Bank and Ministry of Planning and Investment of Vietnam, Overview Report Vietnam 2035: Towards Prosperity, Innovation, Equity and Democracy (International Bank for Reconstruction and Development /World Bank and Ministry of Planning and Investment of Vietnam.,2016). After nearly 40 years of renovation since 1986, Viet Nam has achieved great historical achievements. Viet Nam which was a poor, war-torn country, with a closed, subsidized central plan, has escaped from underdevelopment, becoming a developing country with the middle income and a dynamic market economy which strongly and deeply integrated into the global economic system. Viet Nam's economic growth is quite high, gradual, stable, and inclusive, ensuring that all people benefit from the development process. Viet Nam has reduced its extreme poverty rate from nearly 60% in the 1990s to less than 3 percent in 2016. This is a very impressive success and pride of Viet Nam, including precious cooperation and assistance to the international community. The success of 30 years of renovation places greater expectations and burdens on the future. Viet Nam's goal is affirmed in the Constitution that rich people, strong country, democracy, justice, and civilization. Viet Nam has a strong aspiration that by 2035, it will become a modern industrialized country with prosperity, creativity, equity, and democracy.

Nguyen Viet Thanh in Sustainable poverty reduction according to Mekong Delta's multidimensional poverty levels showed that poverty has a great impact on Viet Nam's sustainable development. Poverty reduction and encouraging legitimate enrichment are major policies of the Viet Nam Party and State. In the poverty reduction process in Viet Nam in general and the Mekong River Delta in particular, the implementation of poverty reduction policies according to multidimensional poverty levels has an important role. (Nguyen Viet Thanh., 2023).

Article by Nguyen Viet Thanh, Nguyen Giac Tri, "Effectiveness in implementing poverty reduction policies according to Multidimensional approach poverty standards in Dong Thap province" in Vietnamese social science journal. The article analyses the importance, necessity and effectiveness of the implementation of the poverty reduction policy according to multidimensional poverty standards in Đồng Tháp province in the period 2016-2020, in order to contribute to finding positive solutions to bring into play the achievements, and overcome and minimise limitations and shortcomings of sustainable poverty reduction in the province in particular and the entire country in general, making an important contribution to the successful implementation of the Resolution of the Party’s 13th Congress, and striving for a Vietnam with rich people, strong country and a democratic, fair and civilised society (Nguyen Viet Thanh, Nguyen Giac Tri., 2023).

The authors of the article Microfinance and Poverty (Katsushi S. Mmai, Raghav Gaiha, Ganesh Thapa., 2012) found that a country that has microfinance institutions higher than the gross loan portfolio per capita tends to achieve better poverty reduction. Contrary to recent isolated evidence, the results showed that microfinance significantly reduces poverty at the macro level. The faltering global economy has also raised serious concerns about the immunity of the microfinance sector and its potential for poverty reduction. The results also showed that microfinance not only reduces the incidence of poverty but also its depth and severity.

The contributions of the above works are important findings and steps to solve theoretical and practical problems in the field of multidimensional poverty, Prosperity, Innovation, Equity, Democracy, and the role of poverty reduction policies including the articles Effective implementation of poverty reduction policy according to the poverty line with the multi-dimensional approach in Dong Thap province; Sustainable poverty reduction according to the multidimensional poverty standards in the Mekong Delta. However, the above studies are only theoretical or practical. The author has not found any scientific research work on the effectiveness of implementing poverty reduction according to multidimensional poverty levels in Viet Nam's north-central region which is the gap and has not comprehensively and systematically mentioned the effectiveness of implementing poverty reduction policies according to multidimensional poverty levels in Viet Nam's north central region. Therefore, this article inherited the theoretical basis and some research results of previous studies to complete the study of the effectiveness of implementing poverty reduction policies according to multidimensional poverty levels in Viet Nam's north-central region.

### 3. Research Methods

#### Research methods used in this study include

**Secondary data-collection methods:** Research documents of the Communist Party of Viet Nam, legal documents, and related works and articles to build the theoretical basis of the article. It also inherits existing research results, supplements, and develops new scientific and practical arguments in accordance with the research objective. The information is collected from the secondary database system of the General Statistics Office of Vietnam, the Ministry of Health, the Ministry of Education and Training, the Ministry of Construction, the Ministry of Labor, War Invalids and Social Affairs, and the Committee for Ethnic Minority Affairs. The article mainly approaches the data related to poverty reduction policies according to the multi-dimensional poverty levels such as jobs, education, health care, housing, water and sanitation, and accessing information. Comparing with the actual situation to get an overall picture of the actual implementation of the above components of the effectiveness of poverty reduction according to the multidimensional poverty levels in Viet Nam's north-central region.

**Descriptive statistical method:** Based on the latest data information that the topic can be collected from reliable information sources (statistical data, investigations), descriptive statistical methods are used to analyze the effectiveness of implementing poverty reduction policies according to multi-dimensional poverty levels based on secondary and primary data.

**Expert interview method:** In the process of writing the article, the author directly consults with scientists to find solutions for improving the effectiveness of poverty reduction policies according to the multidimensional poverty levels in Viet Nam's north-central region.

**Data analysis method:** Investigation data is input on MS Excel software and processed via SPSS 25 data analysis tool.

In addition, the article uses the Alkire-Foster method to review and classify poor households according to poor causes and analyze the deprived level of basic social services, and poor households according to the target groups. It calculates and uses population living standard survey data on the basis of the international multidimensional poverty calculation method. Multidimensional poverty in Viet Nam is calculated by the Alkire-Foster method including 6 dimensions: jobs, opportunities, education, health, housing, water and sanitation, information, and 12 indicators: jobs, dependents in the household, adult education level, children's school status, nutrition, health insurance, housing quality, housing area per capita, source of domestic water, hygienic latrines, use of telecommunications services, information access tools.

#### 4. Conclusion and Discussion

##### **The role of implementing poverty reduction policies according to the multidimensional poverty levels in Viet Nam's north-central region**

The north-central region, or the Middle, is one of three Viet Nam's geographical regions, along with the North and the South. The north-central region has many hills and mountains spreading to the sea, dividing the narrow plains with "a total natural area of 95847.9 km<sup>2</sup>, in which the population is 20650.8 million people" (General Statistics Office., 2022)

According to the calculated results of multidimensional poverty in Viet Nam's north-central region for the period 2016-2020, the indicator of multidimensional households in Viet Nam's north-central region has halved compared to 2016. Poor households according to the multidimensional poverty levels accounted for 12.5% in 2016 and by 2020, the total number of poor households decreased to 4.20%. Thus, in the period 2016-2020, the average poverty rate of the north-central region decreased by 8.3 %/year, exceeding the set target of 1-1.5 %/year..

**Table 1.** The poverty rate of Viet Nam's north-central region at the period 2016 - 2020

No	Region	The Poverty Rate				
		2016 (Year)	2017 (Year)	2018 (Year)	2019 (Year)	2020 (Year)
	The whole country	9.88	8.23	6.70	5.23	3.75
1	Northeast	20.74	17.72	14.87	12.08	9.12
2	Northwest	34.52	31.24	28.01	24.23	20.40
3	Red River Delta	4.6	3.23	2.44	1.82	1.25
4	North Central Coast	12.5	10.34	8.20	6.03	4.20
5	South Central Coast	11.4	9.86	8.17	6.49	4.98
6	Central Highlands	17.4	15.27	12.86	10.36	7.60
7	Southeast	1.23	1.05	0.78	0.58	0.37
8	Mekong River Delta	9.66	7.97	6.08	4.28	2.71

The general multidimensional poverty index of North Central Vietnam has decreased from 0.027% in 2016 to 0.011% in 2020, showing that its multidimensional poverty has improved markedly. The situation of multidimensional poverty in the period 2016 - 2020 has been improved because the poverty rate (the wide of poverty) has decreased rapidly, and the deprivation (the depth of poverty) has not changed significantly.

**Table 2.** Calculation result of multi-dimensional poverty in Vietnam for the period of 2016-2020 performed by General Statistics Office within cooperation framework with UNDP in 2020

		2016	2019	2020
The whole country		MPI	MPI	MPI
		0.035	0.019	0.016
Area	Urban	0.013	0.009	0.010
	Rural	0.045	0.024	0.019
Area	Red River Delta	0.005	0.002	0.001
	Central and Northern mountains	0.065	0.040	0.027
	North Central and Central Coastal	0.027	0.014	0.011
	Western Highlands	0.075	0.046	0.031
	Southeast	0.016	0.013	0.020
	Mekong River Delta	0.067	0.031	0.027

In the period 2016 - 2020, the Central Region is determined to implement the National Target Program on Poverty Reduction, Resolution, Decision No. 59/QĐ-TTg, November 19, 2015, on promulgating multidimensional poverty levels applicable during 2016 - 2020 has achieved remarkable achievements according to the criteria of income and levels of lack of access to basic social services (health, education, information, housing, clean water, and sanitation).

**In terms of health:** Persons aged 6 years are now entitled to purchase health insurance cards for poor households, ethnic minorities, those living in extremely difficult areas, island communes, island districts, and near-poor households, farmers, forestry, and fishery households have an average living standard of 83.2%, medical examination, and treatment of 0.7%. The index of access to health services has barely changed over the past 5 years. It remains at 1.9% at the end of 2020. The deprived indicators in big cities are even higher than in rural areas, showing that they are not sensitive to policy. The criterion is difficult to understand and implement consistently across localities, between different provinces/cities, and is easily influenced by the respondents' feelings as well as the households' conditions. Through actual assessment in localities, some households of being included in the list of poor ones with serious diseases even though they do not meet the poverty level's criteria. Therefore, it is recommended not to use the index in the near term. It should be replaced with an index reflecting the results of service use, whose ultimate goal is the physical and mental health.

**In terms of education,** it is measured by 2 indicators: Adult education has not changed significantly in the deprivation level in the past 5 years. At the end of 2020, it remained 11.2%, proving that it is insensitive to policy and should be needed to be adjusted with a more appropriate measurement threshold. The school attendance index also did not have a significant change in the deprivation level, although it was only 2.4%, proving that the educational support policy of the state is very effective. However, this index represents a small degree of policy sensitivity and should be adjusted by a more appropriate measurement threshold. Adult education in the north-central region has improved markedly. Poor and near-poor households with people between the ages of 16 and 30 attend training courses, are studying, or have graduated from high school, are studying or have graduated from high school or elementary /intermediate/ vocational college, being recruited by the enterprise and certified for on-the-job training (distance learning). In particular, school attendance: poor and near-poor households with children from 3 years old to under 16 years old are entitled to study at the



right education level and age-appropriate level. Poor and near-poor households are entitled to tuition exemption and reduction and support for study expenses so that the dropout rate decreases and the school attendance rate increases.

In terms of housing, it is measured by two indicators: the basic housing quality index is consistent with reality. The deprived indicators are 6.1% in 2020, supporting the construction of safe, stable, and gradually raising living standards. The average housing area index has decreased to 5.0%, especially the number of poor households lacking the housing quality index has decreased by 40 -50%, contributing to sustainable poverty reduction. Assisting electricity bills for poor households and households eligible for social policies according to the Prime Minister's Decision No. 28/QĐ-TTg, providing support from the state budget to purchase raw materials and supplies for the poor's production and life.

In terms of clean water and sanitation, it is measured by two indicators: The index of hygienic drinking water has been significantly improved. By the end of 2020, the national deprived indicators are only 4.3%, and it needs to be modified to improve the quality of domestic water sources. The index of hygienic latrines shows the sensitivity to the policy. The deprived indicators of hygienic latrines decreased. By the end of 2020, the index was only 9.7%, and it should be implemented in the future. Thus, a number of poor households lack access to clean domestic water services including tap water, drilled wells, protected dug wells, protected creek water, rainwater, and bottled water, and not using hygienic latrines including septic/semi-septic toilets, Suilabh toilets, Ventilated improved pit toilets (VIP), dug latrine with seat, twin pits was reduced sharply after 4 years of publishing the measurement indicators. The hygienic latrine index was 20.1%. The hygienic water index decreased by 40 - 50%.

In terms of access to information, it is measured by two indicators. The index of using telecommunications services decreased significantly. By the end of 2020, it is only 3.4%. It is an important indicator for the poor to access information and should be implemented in the next period. Regarding the index of assets for information access, although the deprived indicators are only 4.7% by the end of 2020, it is still an important one to access information. It should be implemented in the next stage, but it is necessary to add criteria for assessing the quality of information access. It showed that the number of poor and near-poor households have electronic media devices such as TV, radio, desktop computer, and telephone; personal electronics such as laptops, smartphones, and internet services are increasing. Only 3% of poor and near-poor households do not have access to information.

The Multidimensional Poverty Index (MPI) of the north-central coast decreased from 0.027 in 2016 to 0.011 in 2020, showing that the multidimensional poverty in the Mekong Delta has been significantly improved, and the gap between urban and rural areas has been significantly improved. "Basically the policies ensure social security, pay attention to improving social welfare, implement policies towards people with meritorious services; improve salary policy, and expand social insurance. The 90% o health insurance rate reaches over 90%. People's lives have been significantly improved. The rate of poor households according to the multidimensional poverty levels decreased to less than 3%. Social housing is concerned. The Millennium Development Goals are completed ahead of schedule including many goals on poverty reduction, health care, and education. Those are considered bright spots. (Communist Party of Vietnam., 2021)

The above results were achieved because localities in the North Central region have closely followed the Resolutions of the Communist Party of Viet Nam, the National Assembly, and

the Government, provincial Party Committees, and People's Committees of its provinces have drastic direction, especially the participation with the high determination of the whole political system, the cooperation of the people, support of all levels, sectors, and people to classify the poverty level.

Propaganda and mobilization are diverse in forms, methods, and content. Using social media effectively creates far-reaching and effective effects and it quickly spreads in real life. Surveying, investigating, and updating changes in poor households quarterly and annually according to new standards, especially the implementing the methodological management of poor households, near-poor households in specific locations, border areas, and reviewing each group of subjects. The supervision and inspection in implementing poverty reduction policies according to the multi-dimensional approach to the poverty levels in Viet Nam's north-central region have been carried out quite methodically.

However, in practice, poverty reduction according to multidimensional poverty levels in Viet Nam's north-central region reveals certain shortcomings and limitations. The multidimensional poverty index is high compared to other regions and the whole country. The indicators that contribute to North Central's multidimensional poverty are adult education at 17%, hygienic latrines at 20.5%, house quality at 8.5%, house area at 11.3%, not having information access at 7.8%, health insurance at 7.3% and medical examination and treatment at 6.6%. Health insurance, adult education, and house size are three indicators that contribute heavily to multidimensional poverty in urban areas. Indicators that contribute a lot to multidimensional poverty in rural areas are hygienic latrines, adult education, information, and housing quality, especially for households with a per capita area of less than 6 square meters. The multidimensional poverty between urban and rural areas is large. The proportion of multidimensionally poor households in rural areas is much higher than in urban areas, and income inequality increases. "The quality of health services in remote, isolated, and ethnic minority areas faces many difficulties and is inadequate. Policies on salary, income, social and health insurance, and social welfare are limited. Benefits from the country's development achievements have not been consistent." (Communist Party of Vietnam., 2021)

The shortcomings and limitations are caused by no land and capital for production and business, no labor, no tools, means and knowledge, and skills for labor and production, households with sick people, serious illnesses, accidents, the main laborer in the household who dies or inability to work, the severe impact of natural disasters, and the Covid-19 epidemic.

### **Challenges in developing and identifying the multidimensional poverty criteria in Viet Nam's north-central region**

Poverty reduction according to the multi-dimensional poverty levels approach plays a vital role. Firstly, it contributes to promoting the development of productive forces. Second, it promotes the development of infrastructure for poor households, near-poor households, poor communes, districts, and areas. Third, it plays an important role in maintaining stability in terms of politics, culture, education, health, society, housing, information, domestic water, and hygiene; improving the quality of life, supporting poor districts and communes with special difficulties in coastal areas and islands to get rid of poverty, especially difficult, narrowing the gap between rich and poor in the country. Fourth, it promotes the development of education and improves people's knowledge to meet the requirement of industrialization and modernization, and international integration. Fifth, poverty reduction according to the multi-dimensional poverty levels ensures social security and improves social welfare which is not only



an important task of the country in the development process but also protects the people's rights according to the United Nations Universal Declaration of Human Rights. Rights to security is an important human right, enshrined in the 2013 Constitution of Vietnam (Constitution 2013). Sixth, it overcomes limitations and disabilities such as the rich-poor gap, wealth polarization, and pollution of the living environment of the social-oriented market economy to ensure progress, social justice, sustainable social development, and national defense and security.

Aware of its responsibility, the Party and State have adopted the policy of poverty reduction in order to mobilize the strength of the entire Party and people and create conditions and help poor households overcome difficulties and rise up on their own situation. After the successful August Revolution, Viet Nam became an independent country. The fledgling revolutionary government's situation was hanging by a thread. Viet Nam faced enemies from inside and outside the country, famine raging, and an exhausted treasury. As the head of the Provisional Revolutionary Government, President Ho Chi Minh considered poverty as dangerous as ignorance and foreign invaders. According to him, if the country gained independence and freedom but the people were poor and miserable, independence and freedom would be meaningless." President Ho Chi Minh initiated and proposed the movement to poverty reduction and ignorance. The VIII National Party Congress has determined that poverty reduction is one of the immediate and long-term socio-economic development programs.

From 1993 until now, Vietnam has made 8 changes of poverty line, specifically the following: Poverty line 1993-1995: Hungry household: Rice-based per capita income /month is less than 13kg for urban areas, less than 8kg for rural areas. Poor household: rice-based per capita income/month is less than 20 kg for urban areas, less than 15kg for rural areas. Poverty line 1996-1997: Hungry household: Rice-based per capita income /month is less than 13kg for all areas. Poor household: Rice-based per capita income /month: Rural mountainous, island area: less than 15kg/person/month; rural, plains, midland area: Less than 20kg/person/month; urban area: less than 25kg/person/month. Poverty line 1998-2000 (official dispatch No. 1751/STD): Hungry household: Ricebased per capita income /month is less than 13kg, equivalent to 45 thousand dong (price in 1997, for all areas). Poor household: Rice-based per capita income /month, depending on each area is as follows: Rural mountainous, island area: less than 15kg/person/month (equivalent to 55 thousand dong); Rural, plains, midland area: less than 20kg/person/month (equal to VND 70 thousand dong); Urban area: less than 25kg/person/month (equivalent to 90 thousand dong). **Stage of 2001-2005** (according to Decision No 1143/2000/QD-LDTBXH) specifies the persons with the following income level to be classified as poor households: Rural mountainous, island area: 80,000 dong/person/month. Rural and delta area: 100,000 dong/ person/month. Urban area: 150,000 dong/person/month. **Stage of 2006-2010** (according to Decision No 170/2005/QD - Prime Minister on December 31, 2018) specifies the persons with the following income level to be classified as poor households: Per capita income for rural areas is less than VND 200,000 per person/ month. Per capita income for urban areas is less than 260,000VND/person/month. Stage 2011-2015: (Decision No. 09/2011/QD-TTG dated January 30, 2011) stipulated that: Poor household: Rural area: Income from VND 400.000/person/month or less; Urban area: Income from VND 500,000/person/month or less. Near-poor household: Rural area: income from VND 401,000- 520,000/person/month or less; Urban area: income from VND 501,000- 650,000/person/month or less. Stage 2016-2020: Decision No. 59/2015/QD-TTG of 19/11/2015 of the Prime Minister issuing multi-dimensional poverty line for the period of 2016-2020. Poor household: Rural area: Per capita income/month from VND 700.000 or less;

per capita income from VND 700,000 to VND 1,000,000 and deprivation from 03 measurement indexes on the deprivation level accessing to basic social services. Urban area: Per capita income/month from VND 900,000 or less; per capital income/month more than VND 900,000 to VND 1,300,000 and deprivation from 03 measurement indexes and more on the deprivation level accessing to basic social services. Near-poor household: Rural area: Household with per capita income/month more than VND 700,000 to VND 1,000,000 and deprivation less than 03 measurement indexes on the deprivation level of accessing to basic social services. Urban area: Household with per capita income/month more than VND 900,000 or VND 1,300,000 and deprivation less than 03 measurement indexes on the deprivation level of basic social accessing to basic social services. Stage 2021-2025: Decree No. 07/2021/ND-CP dated January 27, 2021 of Government on on multidimensional poverty line for the period of 2022-2025. Poor household: Rural area: Household with per capita income/month of VND 1,500,000 or less, deprivation from 03 measurement indexes on the deprivation level of basic social service. Urban area: Household with per capita income/month of VND 2,000,000 or less, deprivation from 03 measurement indexes on the deprivation level of basic social services. Near-poor household: Rural area: Household with per capita income/month of VND 1,500,000 or less, deprivation from 03 measurement indexes on the deprivation level of basic social services. Urban area: household with per capita income/month of VND 2,000,000 or less, deprivation less than 03 measurement indexes on the deprivation level of basic social services (Nguyen Viet Thanh, Tran Văn Dien., 2023).

Decree No. 07/2021/ND-CP of the Government regarding the multidimensional poverty levels during 2021-2025 stipulates that in Article 3, the multidimensional poverty levels during 2022 - 2025, Clause 1: Criteria for measuring multidimensional poverty during 2022 - 2025: Firstly, income criteria: Rural areas: 1,500,000 VND/person/month. Urban areas: 2,000,000 VND/person/month; Second, criteria for the deprived level of basic social services: Basic social services (06 services), including jobs; medical; education; house; domestic water and sanitation; information. Indicators measure the deprived level of basic social services (12 indicators), including jobs; dependents; nutrition; health Insurance; adult education; children's school attendance; housing quality; housing area per capita; domestic water source; hygienic latrines; use telecommunications services; information access tools. Basic social services, the index measuring the deprived level of basic social services, and the deprivation threshold are specified in the appendix issued with this Decree.

According to Article 3, Clause 2: standards for poor households, near-poor households, and households with average living standards during 2022 - 2025: First, the poverty standard in rural areas is households with per capita income /month from 1,500,000 VND or less and a lack of at least 03 indicators measuring the deprived level of basic social service or more. The poverty standard in urban areas is a household with a monthly per capita income of 2,000,000 VND or less and a lack of at least 3 indicators measuring the deprived level of basic social services. Second, regarding the near-poor household levels, in rural areas, there are households with an average monthly income of 1,500,000 VND or less and a lack of less than 3 indicators measuring the deprived level of social services. In urban areas, there are households with a monthly per capita income of VND 2,000,000 or less and a lack of less than 3 indicators measuring the deprived level of social services (Government., 2021).

On the basis of 6 dimensions of poverty, with 12 indicators measuring the deprived level in multidimensional poverty respectively: jobs, dependents in the household, adult education level, children education, nutrition, health insurance, housing quality, housing area per capita,

domestic water sources, hygienic latrines/toilets, use of telecommunications services, information access tools. These indicators are presented in Table 1 below:

**Table 3.** Multidimensional poverty assessment in Viet Nam's north-central region during 2021 -2025.

Basic social requirement (The dimension of lacking)	Measurement indexes on the deprivation of basic social requirement	The deprivation threshold
1. Jobs	Job	A household has at least one person who does not have a job (a person at working age who have the ability to work, are willing/wishing to work but cannot find a job); or is employed without labor contract*.(*) Consideration for frequent, regular, steady, or relatively stable work.
	The dependents in the household	Households with the proportion of dependents per total household members are greater than 50%. The dependents consist of children under the age of 16; the elderly or the disabled persons who have been receiving monthly social benefits.
2. Health	Nutrition	Households with at least one child under 16 years old with weight-for-age malnutrition or height-for-age malnutrition.
	Health insurance	Households with at least one person at the age of 6 or older who currently do not have health insurance.
3. Education	Adult level education	A household has at least one person between the ages of 16 and 30 who does not take training courses or has no degree, education certification (The person at the age of 16 and under the age of 18 years in school or graduated from junior high school; from 18 and 30 years in school or graduated from high school or primary/intermediate/college of vocational training; or, between the ages of 16 and 30 years old, employed by the enterprise and certified on-site vocational training (form of studying and working).
	Child education	Households with at least 1 child aged 3 to under 16 are not educated at their appropriate age and grade (children aged 3 to under 6 years are accessed preschool education, children aged 6 to under 12 years are given access to primary education and children aged 12 to under 16 years are given access to junior high school education.)
4. House	Housing quality	Household members stays in the less permanent or simple house (of the three main structures, walls, columns, and roof, at least two are made of unstable materials).
	Per capital housing area	Household with per capital housing area is less than 8 m <sup>2</sup> .
5. Sanitary and hygienic water	Source of domestic water	Household cannot access source of clean domestic water (including: tap water, secured drilled wells, protected ravine and raining water, bottled water).
	Hygienic latrine/toilet	Household does not use hygienic manholes/toilets (including: septic/semi-septic, permeable flushing (Sulabh), ventilated improved pit (VIP), the twin-pit ventilated latrine).
6. Information	Use of telecommunications services	Household without member uses internet services.
	Means for information access	Households does not have any among the means used to access information.- Shared means: Television, radio, desktop, telephone; - Personal means: Laptop, tablet, smartphone.

Decree No. 07/2021/ND-CP dated January 27, 2021, of the Government, stipulating the multidimensional poverty levels during 2021 - 2025 has a big change compared to the period of 2016 - 2020, making it difficult to collect information especially the criteria for assessing households with malnourished children under 16 years old based on height and weight, enumerators do not have tools to measure these indicators. The biggest challenge is changing people's awareness. "Transforming the poverty measurement approach from unidimensional to multi-dimensional one requires preparation in terms of capacity, resources, and time. Localities need to organize surveys and identify poverty according to new criteria instead of the existing way of assessing poor households, the assessing process of poor households is more complicated. As a result, it is necessary to focus on propaganda and advocacy to increase consensus and great awareness of the benefits of the transition to multidimensional poverty measurement" (Dang Nguyen Anh., 2015).

### **Solutions to improve the effectiveness of implementing poverty reduction policies according to multi-dimensional levels in Viet Nam's north-central region**

To reduce the deprived level of basic social services: jobs, health care, education, housing, domestic water and sanitation, and information, it is necessary to ensure social security and welfare, human security, implement social progress and justice, improve the quality of life and happiness for the goal: "Develop a prosperous and happy country" (Communist Party of Vietnam, 2021). It is a legitimate aspiration for the Vietnamese's benefit and it should be implemented synchronously with the following solutions:

**Firstly**, poverty reduction according to the multi-dimensional poverty levels is a popular guideline and policy, a long-term task, requiring the participation of both the political system and the entire people, the coordination of the organized in the political system. Renovating the content and mode of operation of the political system in mobilizing people to effectively reduce poverty according to the sustainable multi-dimensional poverty levels with the motto "sincere, positive, cautious, persistent, delicate, firm" is an important solution. Regarding propaganda, it should use practical results to mobilize, persuade and create consensus among the people to get rid of poverty sustainably" (Nguyen Viet Thanh., 2023). Inheriting the spirit of the previous congresses, the Resolution of the 13th Congress of the Communist Party of Vietnam affirmed that it is necessary to strengthen the propaganda of the goal of poverty reduction widely, arouse the poor's active will, obtain and effectively use policies and support resources of the State and the community to escape poverty, implement the national target program for sustainable poverty reduction, development and expansion of housing types, promote the development of social housing, rental housing, affordable housing, and housing for workers in industrial zones" (Communist Party of Vietnam, 2021).

**Secondly**, the authorities in the north-central region need to determine poverty dimensions during 2021-2025 based on the basic requirements of life specified in the 2013 Constitution, Labor Laws, Laws on Education, Laws on Housing, Laws on Health Insurance, Laws on Medical Examination and Treatment drastically directed the investigation, reviewed the classification of poor and near-poor households by poor causes, analyzed poor households, near poverty according to the deprived level of basic social services. Especially, it is necessary to review the poor and near-poor households every year according to the multi-dimensional poverty level applied for the period 2011-2025. To measure the multidimensional poverty level in Viet Nam during 2021-2025, the Alkire and Foster method is still used due to its simplicity and popularity. The calculation is based on using survey data on the living standards of poor and near-poor households according to the international multi-dimensional poverty calculation

method including 6 dimensions: jobs, education, health, housing, water and sanitation, and information) and 12 indicators: jobs, dependents in the household, nutrition, health insurance, adult education, children's school attendance, housing quality, size of the house per capita, domestic water sources, hygienic latrines, use of telecommunications services, and means of access to information). Conducting a review through assessment methods, score assets, collect information on household characteristics and living conditions to estimate income and determine the extent of deprived level of access to basic social services. In particular, the multidimensional poverty approach must be based on human rights, the right to social security to meet basic human needs. Humans have the rights to have all these needs for a normal life.

**Thirdly**, it is necessary to arouse the potential and internal strength of families, clans, and residential areas, and promote the role of self-reliant, hardworking households and good business cooperatives become a pioneer to attract and motivate the poor and near-poor in the locality, making people deeply understand and the goal of the poverty reduction program according to the multi-dimensional approach poverty level which is to improve the quality of life, education, and profession. It is the key for local people to escape poverty in a sustainable way, completely changing Viet Nam's north-central region.

**Fourthly**, promote the legal support network for the poor and near-poor so that they can raise their awareness and knowledge of the laws, respect, and observance of the laws. "Raise the sense of self-reliance, proactively rising out of poverty, not expecting or relying on the State and society's support. At the same time, create all conditions for the poor to access and effectively use support resources from preferential credit, lending policies for household economic development" (Nguyen Viet Thanh., 2023). Besides, step up the inspection and supervision of functional agencies on implementing poverty reduction tasks in order to promptly adjust or propose to adjust unreasonable policies and handle violations according to regulations of the laws, and set out implementing directions and specific solutions.

**Fifth**, socialize basic services so that poor households use telecommunications services such as Internet and social networks. Households can access electronic media devices such as TV, radio, desktop computer, and telephone; personal electronics such as laptops, smartphones, and internet. Households have access to clean water sources for daily life including tap water, drilled wells, protected dug wells, protected creek water, rainwater, and bottled water, and not using hygienic latrines including septic/semi-septic toilets, Suilabh toilets, Ventilated improved pit toilets (VIP), dug latrine with seat, twin pits, housing, housing area per capita. Develop and expand types of housing, promote the development of social housing, rental housing, affordable housing, and housing for workers in industrial zones, and create conditions to encourage all economic sectors to participate in housing development according to the market mechanism for social policy beneficiaries. In 2025, the national average housing area will be about 27-27, 5 m2 floor per person" (Communist Party of Vietnam, 2021). Households with persons aged between 16 and 30 years old participate in training courses or have elementary/intermediate/vocational college degrees, certificates for education, and training compared to the corresponding age are recruited by enterprises and certified for on-site vocational training in many forms. Households with persons under 16 years old have health insurance cards. "Over 90% of the population is managed, monitored, and cared for. Their health is protected, and the satisfaction rate with health services reaches over 80%" (Party of the Communist Party of Vietnam, 2021). Households have stable jobs or salaried jobs with labor contracts. The dependents in households account for less than 50% of the total population. Dependents include children under 16-year old, elderly people, or people with disabilities who are receiving monthly social allowances.



**Sixthly**, promote propaganda, advocacy, and awareness raising for the poor so that they understand the value of vocational training, apprentice training, and what they will gain from an apprenticeship. In order to reduce poverty and rise out of poverty, they must learn to create premises and ensure favorable conditions so that each citizen has the opportunity to enjoy a fair education. "Promote the development of high-quality vocational education institutions, formulate mechanisms, policies, and solutions to retrain workforces that have to change occupations due to the process of economic restructuring, technological innovation, and the impact of the Fourth Industrial Revolution (Communist Party of Vietnam, 2021). Vocational training for workers from poor households, near-poor households, and households that have just escaped from poverty with the market's needs so that they have opportunities in finding jobs, contributing to improving the quality of life. Enhance labor productivity, and create jobs associated with income growth in order to improve livelihoods and the quality of life of the poor, avoid the risk of falling back into poverty, help them eat well, dress well, and reduce poverty sustainably. Enhance vocational guidance and training for students. Create the attachment between vocational education institutions and enterprises. Diversify types of training to suit the needs of companies, enterprises, and society in the direction which is that training must be associated with job creation, replication, and development models of agricultural, non-agricultural, and business poverty reduction for poor households, near-poor households, and newly-escaped households in association with local production planning, helping households to stabilize production and increase incomes and sustainable poverty escape.

#### 4. Conclusion

Poverty is a global problem. For Viet Nam's north-central region, poverty has a great impact on sustainable development. Poverty reduction according to the multi-dimensional poverty levels is pleasing to the people, so it was soon applied to life and gradually supported. Therefore, it is necessary to arouse the will to escape poverty, not relying on the State and the community. It significantly contributes to the sustainable socio-economic development of the North Central region, gradually narrowing the gap in living standards between regions including urban and rural areas, disadvantaged areas, and border areas. Moreover, the cooperation of the whole community plays an extremely important role. Reducing poverty and encouraging legitimate enrichment is a major policy of Viet Nam's Party and State. In the process of poverty reduction in Vietnam in general and the North Central region in particular, implementing poverty reduction policies according to the multidimensional poverty levels plays an important role. It is necessary to have appropriate guidelines and policies and ensure objectivity in collecting, processing, calculating, synthesizing, and reporting poverty criteria, in which the key point is to properly identify the poverty criteria. The monitoring and evaluation system should be implemented and operated in association with the multi-dimensional poverty approach, in which the participation, consent, and voice of the people in the whole country are very important.

#### References

- Vietnam Ministry of Labor, Invalids and Social Affairs, Master Project on Transforming Poverty Measurement Approach from Uni-Dimensional Income-Based to Multi-Dimensional, Applied in the 2016-2020 period, Ha Noi, 2015.
- Son, N. N. (2012), Poverty reduction policy in Viet Nam: Current situation and orientation for Improvement. *Journal of Economics and Development*, 181, 19 -26.



- The National Center for Socio-Economic Information and Forecast. (2014), p.7.
- Thanh, N. V. (2023). Education as one of the fundamental factors of poverty reduction according to multidimensional poverty line in Vietnam. *Perspektivy nauki i obrazovania – Perspectives of Science and Education*, 64 (4), 317-335. doi: 10.32744/pse.2023.4.19, Available: <https://pnojurnal.wordpress.com/2023-2/23-04/>
- World Bank. (2018), *Climbing the Ladder: Poverty Reduction and Shared Prosperity in Vietnam*”, Hanoi.
- International Bank for Reconstruction and Development/World Bank and Ministry of Planning and Investment of Vietnam, *Overview Report Vietnam 2035: Towards Prosperity, Innovation, Equity and Democracy*, Hong Duc Publishing House, Hanoi.
- Thanh, N. V., Tri, N. G. (2023), "Effectiveness in implementing poverty reduction policies according to Multidimensional approach poverty standards in Dong Thap province" in *Vietnamese social science journal*.
- Katsushi S. Mmai, Raghav Gaiha, Ganesh Thapa. (2012), *Microfinance and poverty*, Available: <http://oxfaminvietnam.wordpress.com/resourcesbao-cao>.
- General Statistics Office. (2022), *Statistical Yearbook 2021*, Statistical Publishing House, Hanoi, p.105.
- Communist Party of Vietnam. (2021), *Document of the 13th National Congress of Deputies*, The Truth National Political Publishing House, vol.1, pp.65-66, 85-86, 111
- Vietnam Prime Minister (2021), *"Decree No. 27/2021/ND-CP stipulating the multidimensional poverty line for the period 2021-2025,"*
- N. A. Dang, "Multidimensional poverty in Vietnam: Some policy and practical issues," November 13, 2015. Available: <https://vass.gov.vn/ngghien-cuu-khoa-hoc-xa-hoi-va-nhan-van>.
- Communist Party of Vietnam. (2021), *Document of the 13th National Congress of Deputies*, The Truth National Political Publishing House, vol.2, pp.138, 138, 137, 137.