

Viet Nam Green Growth Strategy

(Briefing)

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Background

- National context
 - In 2004, Vietnam approved the Viet Nam agenda 21 and established the National Sustainable Development Council
 - In 2008, Viet Nam initiated its climate change response
 - Initially centered around a national target program on response to climate change and started with the development of provincial and sectorial action plans
 - In 2011, the GOV initiated the development of a climate change and a green growth strategy
 - Recent macro-economic development have led to the need to restructure the economy
 - The green growth strategy is driven by these three national policy agenda and Viet Nam awareness to contribute to international efforts to combat climate change.

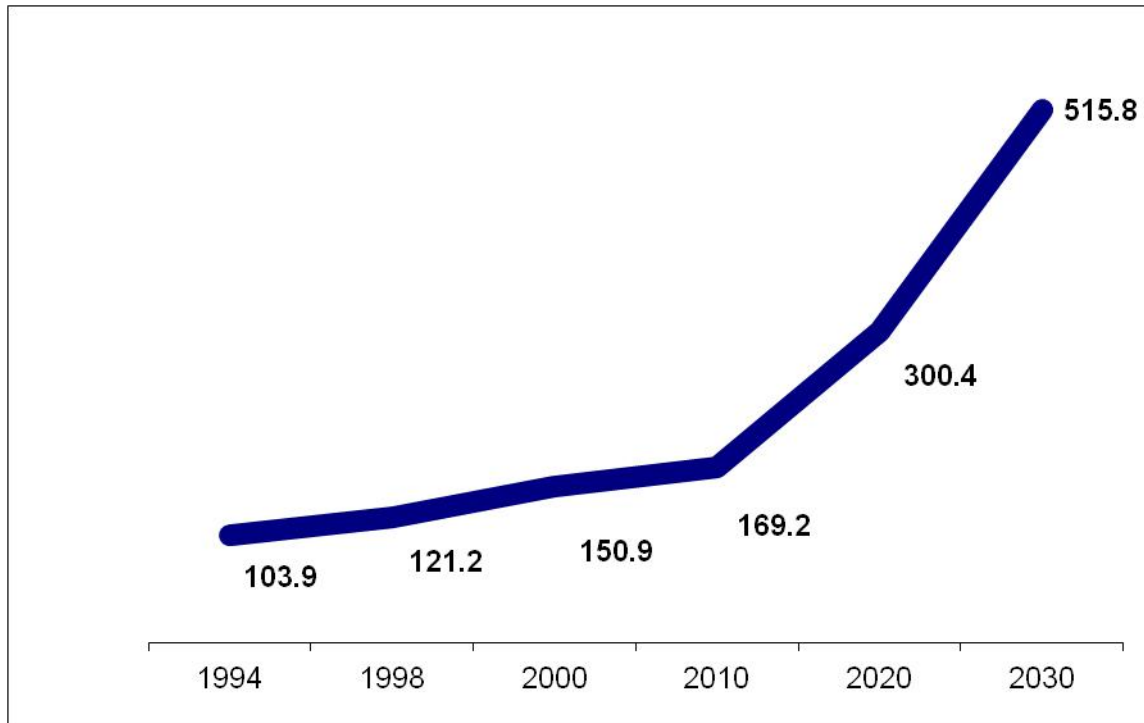
Links with other policy Agendas

- Power sector reform and subsidy removal
- Address low productivity of the economy
 - Low added value of exports
 - Facilitate innovation towards more efficient use of natural resources
- Improve MDG performance (in particular MDG 7)
- Restore natural capital
 - REED + agenda
 - Biodiversity conservation
- Energy security, if current trends are not addressed Viet Nam will be reliant on external sources of fossil fuels

Key Challenges

- Rapidly rising GHG emissions

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Overall GHG emissions for Vietnam since 1994

Definition

- The Green Growth Strategy in Vietnam is a method to accelerate the process of economic restructuring towards the efficient use of natural resources, reducing greenhouse gas emissions through research and application of modern technologies, developing infrastructure to improve the entire efficiency of the economy, coping with climate change, contributing to poverty reduction, and driving the economic growth in a sustainable manner.

Goal and Objectives

- Overall goal: Green growth and the low carbon economy will become the mainstream of sustainable economic development and strengthen social economic development.
- Objectives:
 - Restructure the economy and increase competitiveness through efficient use of resources and address environmental degradation
 - Assess and promote the use of high technology development to increase efficiency in natural resource use, reduce GHG intensity of the economy and respond to climate change
 - Improve the quality through green employment, sustainable lifestyles, green infrastructure/building and restored natural capital

Targets

- Targets for 2020:
 - GDP per capita at least doubled compared to 2010
 - Reduced energy consumption per GDP by 2.5 to 3% per year
 - Establish modern economic structures
 - Reduce intensity of greenhouse gas emissions by 8-10%
 - Improve the efficiency of using natural resources,
 - Address environmental degradation end,
 - gradually creating the conditions to switch to a green economy and develop a sustainable developing and stable country
- Targets for 2030:
 - set of complete physical foundation, engineering, human resources and institutions to implement appropriate common mode of green growth.
 - Reduce total greenhouse gas emissions at least 2-3% per year.
 - Environmental degradation addressed and natural capital improved while improved basic standards for clean and green technology established
- 2050: Green Economic Development is mainstreamed

Major Tasks

1. Greening production processes and restore natural capital.
2. Reduce the intensity of greenhouse gas emissions (per unit of GDP) and promote the uses clean energy, renewable energy.
3. Greening lifestyle and promote sustainable consumption.

Institutional Arrangements

- Work to direct the Climate Change committee.
 - D.Prime Minister acts as chairman.
 - Minister of Planning and Investment is a focal point on green growth tasks with four line ministries MOF, MOIT, MARD and MONRE.
 - Board members include representatives of other ministries, institutions, local governments, scientists and private sector.
- MPI leads and oversees overall implementation

Financing

1. Funding from the state budget, taking into account the decentralization processes of budget management for green growth.
2. Development of Market based mechanism and financial instruments will be further encouraged (Like CDM).
3. Assessment of new funding mechanism such as a studying the possibility of a Green Growth Fund
4. A Shift in fiscal policy towards taxation through wider application of eco-tax and carbon tax
5. Encourage and attract various sources of loans, ODA funding, 'climate financing', 'green climate fund' and technical assistance.
6. Setup Green grow support facility, SPRCC program;

Thank you for your kind attention.