

Promoting the green economy at country level

An example in Vietnam

Hoang Thanh

EU Delegation to Vietnam

In this presentation

- ▶ Where is EU's existing / potential greatest added value in promoting the green economy in your countries?
- ▶ How can the focal sectors of your NIPs/RIPs contribute to the green economy transition in your countries? How can the Mid Term Review be used to highlight these contributions more specifically?
- ▶ How can global programmes managed by HQ support your work at country level? What should be the priorities of GPGC funding for the Green Economy for the period 2018-2020?

EU's existing / potential greatest added value in promoting the green economy in Vietnam

- ▶ Energy sector is among the 3 main highest potential for GHG reduction in Vietnam. Our budget support programme on Energy sector will contribute to enhance the governance of the sector in order to facilitate the shift to a more sustainable energy development path.
- ▶ Establish the **Energy Partnership Group (EPG)** with an aim to enhance development cooperation in the energy sector and engage high level policy dialogue. Through this EPG we are expecting to maximize the impact of the EU support to Vietnam.
- ▶ Available tools to develop public and private investment in the energy sector via the **Asia Investment Facility (AIF)** to promote at state own enterprises RE/EE investment and potentially via **ElectriFi** to promote RE/EE investment by private sector.
- ▶ EU is also working with others development partners including NGOs/CSO, universities to support further the development of green growth related programmes/projects (SWITCH, ENRTP, CSO-LA).
- ▶ The EUD maintains a close cooperation with **private sector** (Eurocharm Green Growth Sector Committee) and CSO (Energy Alliance)

The focal sectors of your NIPs/RIPs contribute to the green economy transition in Vietnam?

- ▶ **Vietnam Green Growth Strategy** (September 2012): to promote the process of restructuring and improving economic institutions towards more efficient use of natural resources, improved competitiveness of the economy.
- ▶ Strategic Task 1: Low Carbon Growth - By 2020 to reduce voluntarily the intensity of greenhouse gas emissions by 8-10% as compared to the 2010 level and 25% with additional international support; Reduce energy consumption per unit of GDP by 1-1.5% per year.
- ▶ Strategic Task 2: Greening Production with the aim to encourage the development of green industry and green agriculture based on environmentally friendly structures, technologies and equipment;
- ▶ Strategic Task 3: Greening Lifestyle and Promoting Sustainable Consumption.

The focal sectors of your NIPs/RIPs contribute to the green economy transition in Vietnam? (con't)

- ▶ Energy sector is the key target area under the Vietnam Green Growth Strategy/Action Plan
- ▶ Sustainable Energy is one of the two focal key sectors of the EU development cooperation agenda in Vietnam (85% of the NIP, 386 million euro). Currently the energy programme will focus in 2 areas:
 - ▶ A particular emphasis is put on the development of an enabling environment for the establishment of a sizeable and sustainable **Renewable Energy (RE)** market.
 - ▶ Foresee to have a closer look to the development of our support programme on **Energy Efficiency (EE)** which has also high potential for green economy.
- ▶ Public and private investment for cleaner and sustainable energy sector via **Asia Investment Facility - AIF** (pipelines in wind, hydro and solar) and potentially via **ElectriFi**.

The focal sectors of your NIPs/RIPs contribute to the green economy transition in Vietnam? (con't)

- ▶ Under the **SWITCH** programme: promote sustainable consumption and production through supporting SMEs in selected sub-sectors: Text tile & garment, electronic, retails, hotel/tourism,...) in:
 - ▶ Corporate Social Responsibility (CSR) policy and implementation,
 - ▶ Cleaner production practices, design for sustainable (eco-innovation, co-creation, linkage between producer and consumer,...),
 - ▶ Promoting sustainable supply chains and value chains in aquaculture and natural ingredients in terms of resource efficiency, technology transfer, market linkage and poverty reduction.
 - ▶ Awareness raising and promote a change in behaviour in different groups of consumers.
- ▶ Through those interventions the SWITCH project also shares EU's knowhow and technologies on low carbon development to SMEs.
- ▶ Two projects under **NSO-LA local CfPs**: (1) trainings, seminars and communication skills to CSOs to boost RE&EE as a key tool for implementation of the green growth strategy in Vietnam (E-Enhance) and (2) Development of Solar Energy in Da Nang city.

How can the Mid Term Review be used to highlight these contributions more specifically?

- ▶ The main issue is the government absorption capacity in terms of:
 - ▶ baseline data availability and sharing;
 - ▶ coordination mechanism and approval/decisional procedures in the government.
- ▶ Other challenges included: Access to affordable technologies and to credit/finance for local investments.
- ▶ The mid-term review would be good opportunity to spell out more details on these obstacles and to suggest more specific areas that EUD should focus in the coming years.

How can global programmes managed by HQ support your work at country level? What should be the priorities of GPGC funding for the Green Economy for the period 2018-2020?

- ▶ SWITCH programme is still very relevant but should also put more emphasis in supporting policy development and dialogues (Currently more at project level)
- ▶ It would be useful to have a support facility, such as TAIEF managed by DG ENV, where we can mobilise resource quickly to support government requests via the EUDs.
- ▶ Should be linked with the MIP and, if possible, help the EUDs to support government, in case of Vietnam, to implement its VGGs and Action Plan, to complement with and enhance the MIP (Energy programme).