Circular Economy – a Perspective from Viet Nam

“Aid-for-Trade Workshop - Circular Economy, Economic Diversification and Aid for Trade”, WTO, June 10, 2021

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Circular Economy in Viet Nam – Past to Present

V-A-C model in Agriculture (since 1980s)

Circular Economy
- Resource efficiency
- Waste Management
Circular Economy - as an approach for Development in Viet Nam

- The Government’s determination on driving the country towards a socialist-oriented market economy for sustainable development; with implementation of a national action plan and strategies with concrete measures for achieving SDGs.

*The Strategy for socio-economic development by 2030* (adopted in 2021): sets out the direction & approach for development of a *circular economy*, a green economy which is environmentally friendly.

- Deeper integration into the world’s economy by conclusion new generation free trade agreements with various partners, with stronger commitments for sustainable development.
Key Policies related to Circular Economy

- **Law on Environmental Protection** (revised in 2005, 2014, 2020) provides for the objective of sustainable development by encouraging clean energy, renewable energy, environmentally friendly products and reduce, reuse, recycle methodologies
- **Strategy for Cleaner Production in Industries by 2020** (2009)
- **National Green Growth Strategy** (2012) addresses the improvement of energy efficiency, sustainable production, sustainable consumption & lifestyle
- **Strategy for Sustainable Development of Marine Economies** (2018)
- **National Strategy on Environment Protection** by 2020, with a vision toward 2030, details measures to enhance the reduction, reuse, and recycling of waste, and application of Cleaner Production models.
Key Policies related to Circular Economy (cont’d)

- National Action Plan on Sustainable Production and Consumption by 2020, with a vision to 2030
- Master Plan on development of Viet Nam’s Construction Material industry by 2020 with a vision toward 2030 sets the task of improving resource and energy efficiency, reuse and recycle of construction material
- Prime Minister’s Decision No. 16/2015/QD-TTg regulating the recollection and treatment of discarded products
- Resolution of the National Assembly Standing Committee No 579/2018/UBTVQH14 sets a tax of VND50,000 per kilogram on plastic bags
- Circular No 128/2016/TB-TTC clarifies export duty exemption and reduction for environment-friendly products and products made from recycling and waste management
Achievements in Policy Implementation

Prominent results in implementation of Cleaner Production model (CP) - as at the beginning of 2021:

- 350 enterprises have been supported for rapid assessment of CP application.
- 90 enterprises have been supported for CP application became role models for CP application.
- 68.5% of enterprises are aware of the benefits of CP application.
- 46.9% of enterprises applied CP
- 21% of medium and large enterprises have a department dedicated to cleaner production

Source: MOIT, 2021
Technological Application as a means to Circular Economy

**In the farm:**
- Use of clean and renewable energy resources such as CNG and BIOMASS to replace the traditional FO and DO oils
- Livestock waste is treated to continue to fertilize pastures and improve soil; and is converted into methane gas used to heat water for domestic use

**In the factory:**
- Solar energy to reduce emissions equivalent to 12,000 tons of CO2

*Example in food & beverage industry - VINAMILK (Largest dairy company in VN)*
The Way Forward: Challenges

1) Building and Implementing a National Policy Framework/Strategy on Circular Economy
2) Raising Awareness among the Business Community
3) Transfer of technology and know-how, application of Advanced Technology with Skilled Workers
4) Raising Awareness within the Society.

**Priorities now:** Development and Application of Circular Economy model in priority sectors including agriculture, plastic, textile, paper, food & beverage processing for sustainable development.

**Needs:** International cooperation on circular economy, including transfer of technology and technical know-how, and promotion of value chain integration.
Thank you very much for your attention!