



Circular Economy in Viet Nam

*Department of Economics of Natural Resources and Environment
Institute of Strategy, Policy on Natural Resources and Environment
Ministry of Natural Resources and Environment*

**OVERVIEW OF
INSTITUTE OF
STRATEGY AND
POLICY ON NATURAL
RESOURCES AND
ENVIRONMENT
(ISPONRE)**

Policy thinktank for
Ministry of Natural Resources and
Environment (MONRE)

Established in 2006 under the
Prime Minister's Decision
Number 1237/QĐ-TTg dated
18th September 2006

- 02 Functional Units
- 06 Research Departments
- 01 Center
- 01 Magazine



ISPONRE main functions

- Advisory Unit of MONRE for legislation and policy development
- Provides long-term planning for sustainable solutions that balance socio/cultural, economic and environmental needs
- Researches, values and assesses international methodologies and theories for their adaptation to the Vietnamese environment
- Conducts economic analysis and planning for natural resource management
- Provides consultancy and training course on NRE sector



Orientation of the Party and Government of Vietnam

Viewpoints of the Party and Government of Vietnam on circular economy

The period before the 12th National Congress of the Party (Before 2016):

- The term circular economy has not been mentioned in any Party and Government policies. On the other hand, there have been a number of orientations and solutions related to the implementation of circular economy.

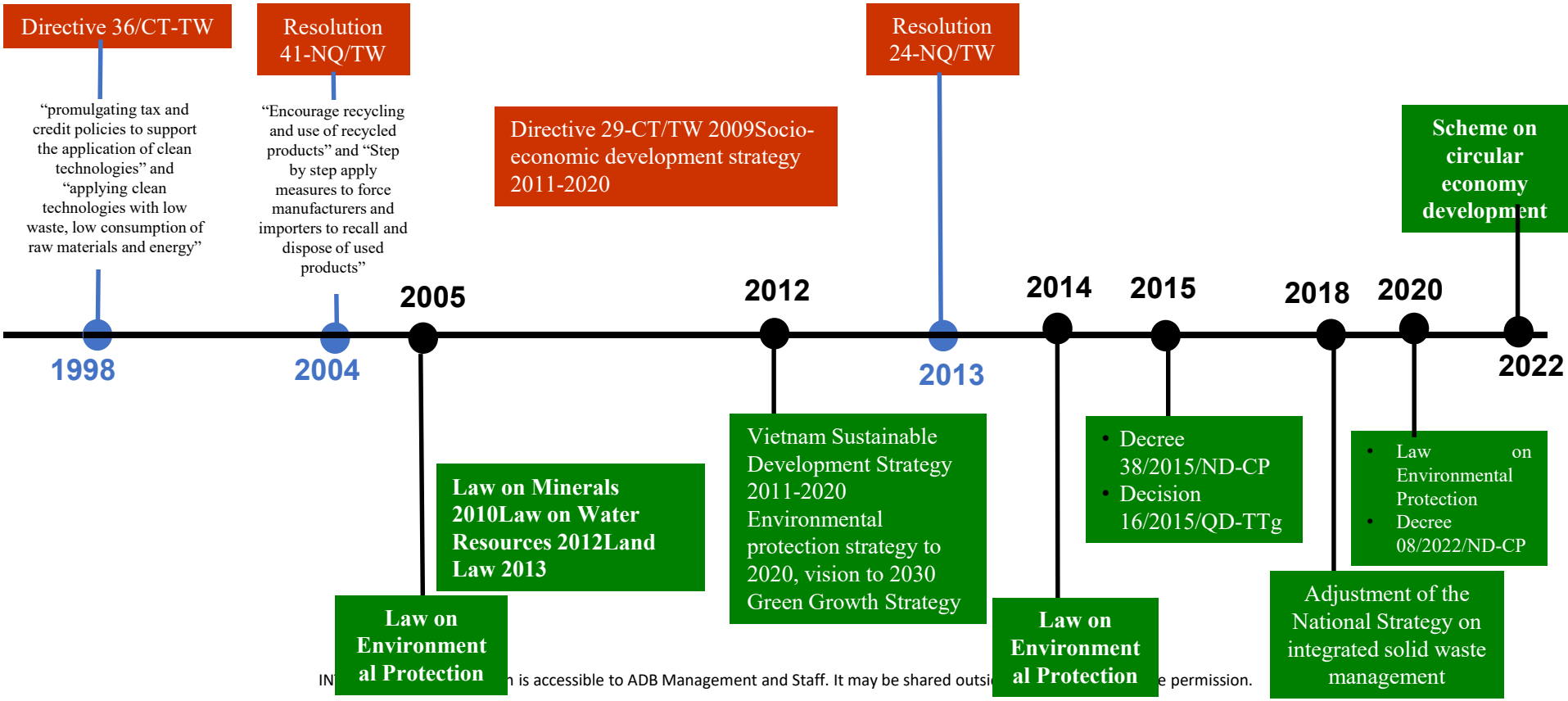
Period to implement the Resolution of the 12th National Congress of the Party (from 2016 to 2020)

Circular economy has been pointed out in a number of key national orientations such as **Vietnam's sustainable energy development orientation; National action plan on sustainable production and consumption** for the period 2021-2030.

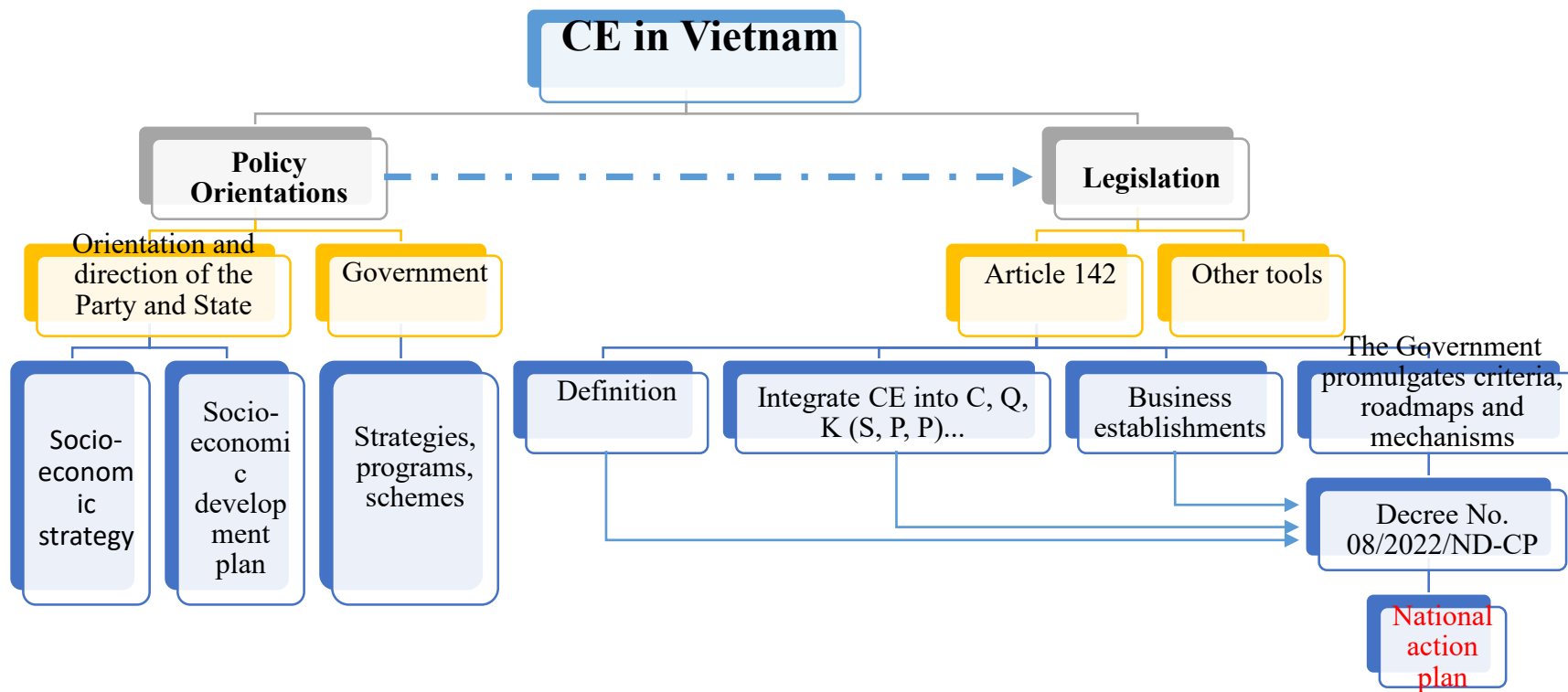
The period from the 13th National Congress of the Party to now (from 2021)

Circular economy has been integrated into the Socio-Economic Development Strategy for the period 2021-2030 and the 5-year Socio-Economic Development Plan for 2021-2025.

Vietnamese policies and laws related to circular economy



Circular Economy policy and legal framework



Law on Environmental Protection 2020

The **Law on Environmental Protection 2020** is a breakthrough for Vietnam

- ✓ Provide the **Circular Economy** concept and roadmap to implement circular economy



LUẬT

**BẢO VỆ MÔI TRƯỜNG
NĂM 2020**

Article 142.

Circular Economy

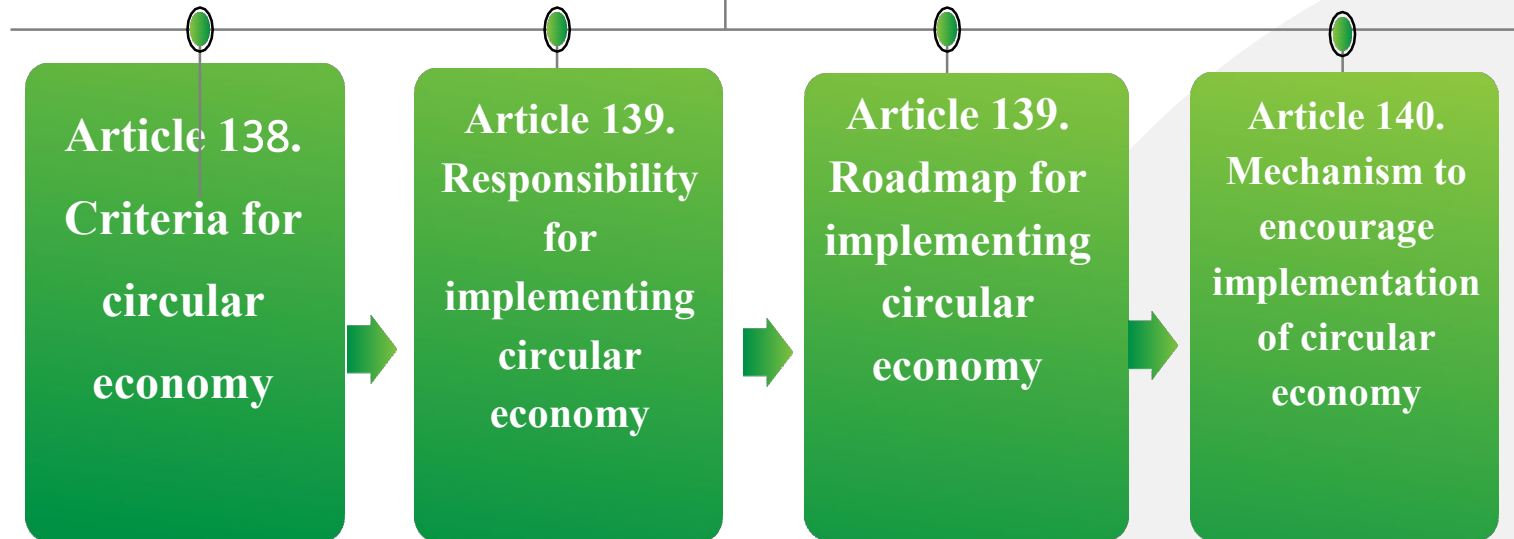
1. Circular economy is an **economic model** which encompasses the design, production, consumption and services activities aimed at reducing raw materials, extending product life, reducing waste generation and minimizing adverse impacts on the environment.
2. Ministries, ministerial agencies and provincial People's Committees shall incorporate circular economy immediately at the stage of formulating a development strategy, planning, plan, program or project; managing, reusing and recycling waste.
3. Every business shall establish a management system and take measures to reduce extraction of natural resources, reduce waste and increase waste recycling and reuse from setting up a project and designing a product or goods to production and distribution.
4. The Government shall elaborate on criteria, roadmap and mechanisms for encouraging the implementation of circular economy in conformity with the national socio-economic conditions.



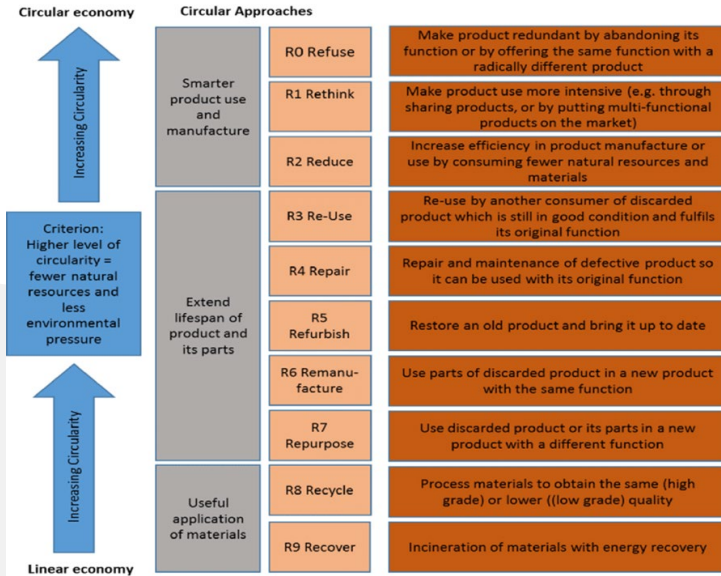
LUẬT

**BẢO VỆ MÔI TRƯỜNG
NĂM 2020**

Decree No. 08/2022/ND-CP issued by the Government on 10/01/2022 guiding in details a number of articles of the Law on Environmental Protection



Article 138. General criteria for circular economy



- ❑ Reduce the exploitation and use of non-renewable resources and water resources; increase efficiency in the use of resources, raw materials and materials; save energy;
- ❑ Extend useful life of materials, equipment, products, goods, parts;
- ❑ Reduce waste generated and minimize adverse impacts on the environment including reducing solid waste, wastewater and emissions; reducing the use of toxic chemicals; recycling waste, recovering energy; reducing disposable products; develop green purchasing habits

Article 139. Responsibility for implementing circular economy

1. Ministry of Natural Resources and Environment

- Develop a National Action Plan and submit it to the Prime Minister for promulgation before December 31st, 2022
- Building and operating a platform to connect information and share data on applying the circular economy model (ISPONRE is cooperating with UNDP to develop and operate);
- To issue a framework to guide the application of circular economy;

2. Other ministries and Provincial People's Committees

- Develop an action plan to implement the CE
- Integrating specific criteria for the implementation of the circular economy right from the stage of formulation on strategy, planning
- Organize the pilot application of the circular economy model to the energy, raw materials, and waste sectors according to the action plan for implementing the circular economy;
- Develop technical guidelines, standards and regulations
- Propagating and disseminating knowledge and laws
- Manage and update circular economy information and data and integrate with the information and data system of the Ministry of Natural Resources and Environment.

Article 139. Responsibility for implementing circular economy

3. Enterprise

- Implemented in accordance with the National action plan, the action plan of the Ministries, the province People's Committee;
- Implement 9R solutions in order of priority (Project, production)
- Optimized overall layout design to improve efficiency and reduce consumption of land, water, and energy resources (Industrial)
- Applying environmentally-friendly transportation solutions, reducing greenhouse gas emissions (Urban area);
- Utilizing the roof area to develop rooftop solar energy (Urban area);
- Collecting and storing rainwater for reuse; recovery and reuse of wastewater after treatment (Urban area);
- Implement solutions for daily life solid waste management in accordance with the Law on Environmental Protection and this Decree (Urban area, Industrial)
- Encourage the application of circular economy earlier than the roadmap defined in the Government's action plan..

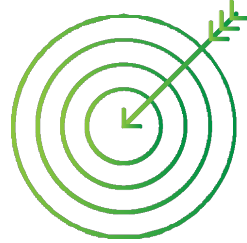
Article 140. Mechanism to encourage the implementation of circular economy

Any organization or individual that carries out **an activity or has a project applying the circular economy model** and is entitled to the incentives or assistance in environmental protection and any project issued with green credit as prescribed by law are entitled to the incentives and assistance prescribed in Articles 131, 132, 133, 134, 135 and 137 of this Decree and other relevant regulations of law and encouraging mechanisms related to green credit and green bonds prescribed in Articles 154, 155, 156 and 157 of this Decree.

Article 140. Mechanism to encourage the implementation of circular economy

The Government encourages the following circular economic development activities:

- ❑ Research, develop technology, and technical solutions, provide consulting services, design and evaluate the implementation of circular economy in accordance with the law
- ❑ Development of linkage models, sharing the use of products and waste; establish cooperative groups, cooperatives, unions of cooperatives, recycling alliances, models of regional linkage, urban-rural linkage, and other models as prescribed by law to implement investment, production, business, and service activities meet the criteria of the circular economy;
- ❑ Adopting industrial symbiosis measures in accordance with regulations of law on management of industrial parks and economic zones
- ❑ Developing discarded product reusing and waste recycling market;
- ❑ Mobilizing social resources for implementation of circular economy as prescribed by law;
- ❑ Developing international cooperation, exchanging experience, knowledge and technologies in relation to circular economy as prescribed by law.



Draft National Action Plan to implement circular economy in Vietnam

Tasks and requirements for building NAPCE

Law on Environmental Protection 2020

Article 142. CIRCULAR ECONOMY

1... An economic model in which design, production, consumption and service activities aim to reduce the exploitation of raw materials and materials, extend the product life cycle, limit waste generation and minimize adverse impacts on the environment.

2. ... **Integrate CE** right from the stage of formulating development strategies, plannings, plans, programs and schemes; waste management, reuse and recycling. ?

3. ... Be **responsible** for establishing a management system and implementing measures to reduce resource exploitation, reduce waste, raise the level of waste reuse and recycling right from the stage of project construction, product and goods design to the stage of production and distribution. ??

4. ... **Criteria, roadmap**, mechanisms to encourage CE implementation in accordance with the country's socio-economic conditions;



Decree 08/2022/ND-CP detailing a number of articles of the law on environmental protection.

Clause 5, Article 139: "The national action plan for CE implementation includes the following main contents":

- a) Overview analysis of the current status of resource exploitation and use; production and consumption; the situation and forecast of waste generation; domestic and international context of CE implementation;
- b) Building views, general objectives, specific objectives and expenditures CE implementation in the 10-year NAP period;
- c) Determine **tasks and implementation roadmap** → **Industries and fields**, which defines the **priority sectors** carried out in stages; The build list of **specific industries and fields** must contain guidelines for the application of circular economy;
- d) Identify types of **investment projects, production, business establishments, services and products** that must be designed to achieve CE criteria; adopt cleaner production, environmentally friendly product production, production using recycled materials, life cycle management of chemicals and waste;
- đ) Orientation of CE implementation solutions
- e) Implementing organizations include

Ministries, ministerial-level agencies → Formulate and approve action plans for CE implementation of sectors, sectors and products in accordance with NAPCE;

Provincial People's Committee → formulate and collect opinions of relevant ministries and ministerial-level agencies and approve action plans for provincial CE implementation

DEVELOPMENT PROCESS FOR NAPCE



NAPCE Consultation Workshop in the Northern Region



NAPCE Consultation Workshop in the Southern Region





Meeting with expert group, Drafting Committee, Editorial Team

On November 16, 2023
Organize “**Vietnam Circular
Economy Forum 2023**” with
the theme “Developing a
National Action Plan to
implement circular economy”



DIỄN ĐÀN

KINH TẾ TUẦN HOÀN

VIỆT NAM 2023

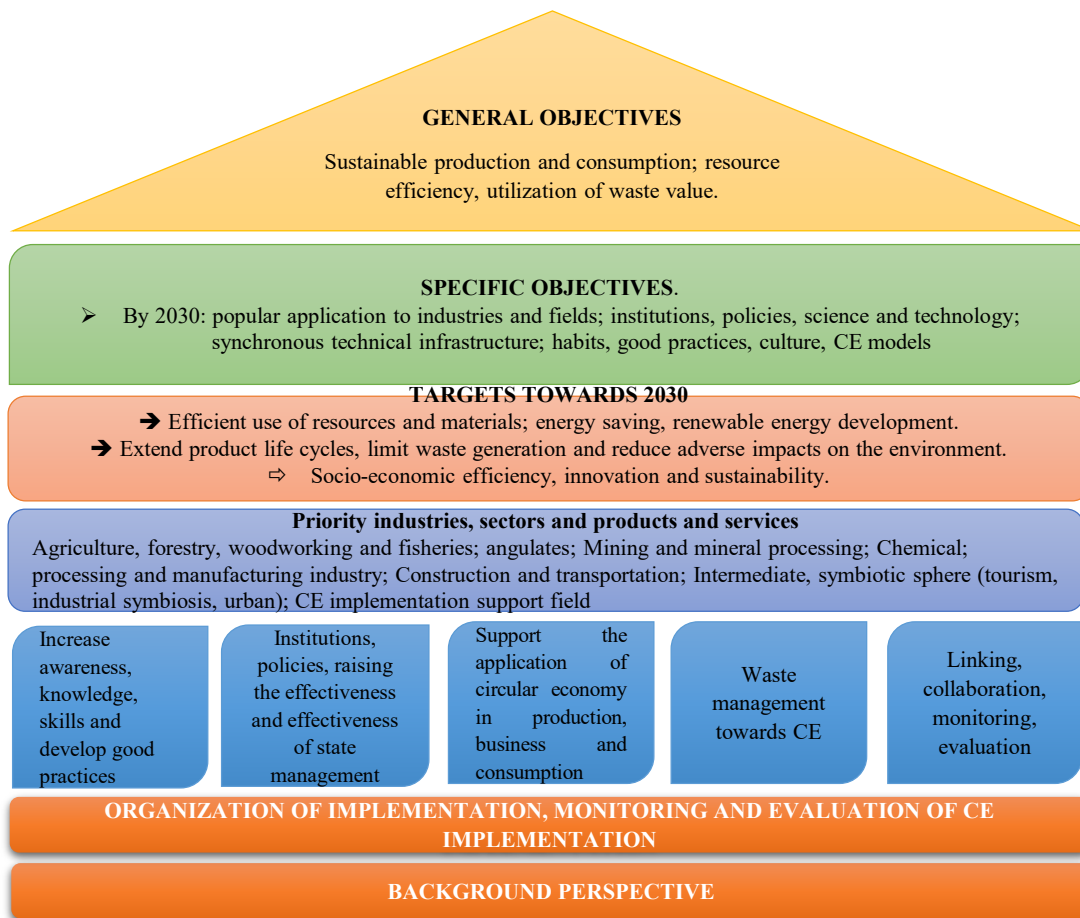
VIETNAM CIRCULAR ECONOMY FORUM 2023



THE STRUCTURE OF THE DRAFT NAPCE

PRINCIPLES IN CONSTRUCTION

- In line with the Nature of CE.
- Relevance and inheritance.
- Action.
- Create open spaces.
- Enforceability.
- Maximum listening and absorption.
-



General objectives

- ❑ Forming a system of sustainable production and consumption structure, effectively using the value of natural resources, making the most of used materials and materials, limiting waste generation and reducing adverse impacts on the environment;
- ❑ Strongly develop production and business models applying circular economy;
- ❑ Develop good practices, create culture in production, business and consumption, and move towards the formation of a material circular society.






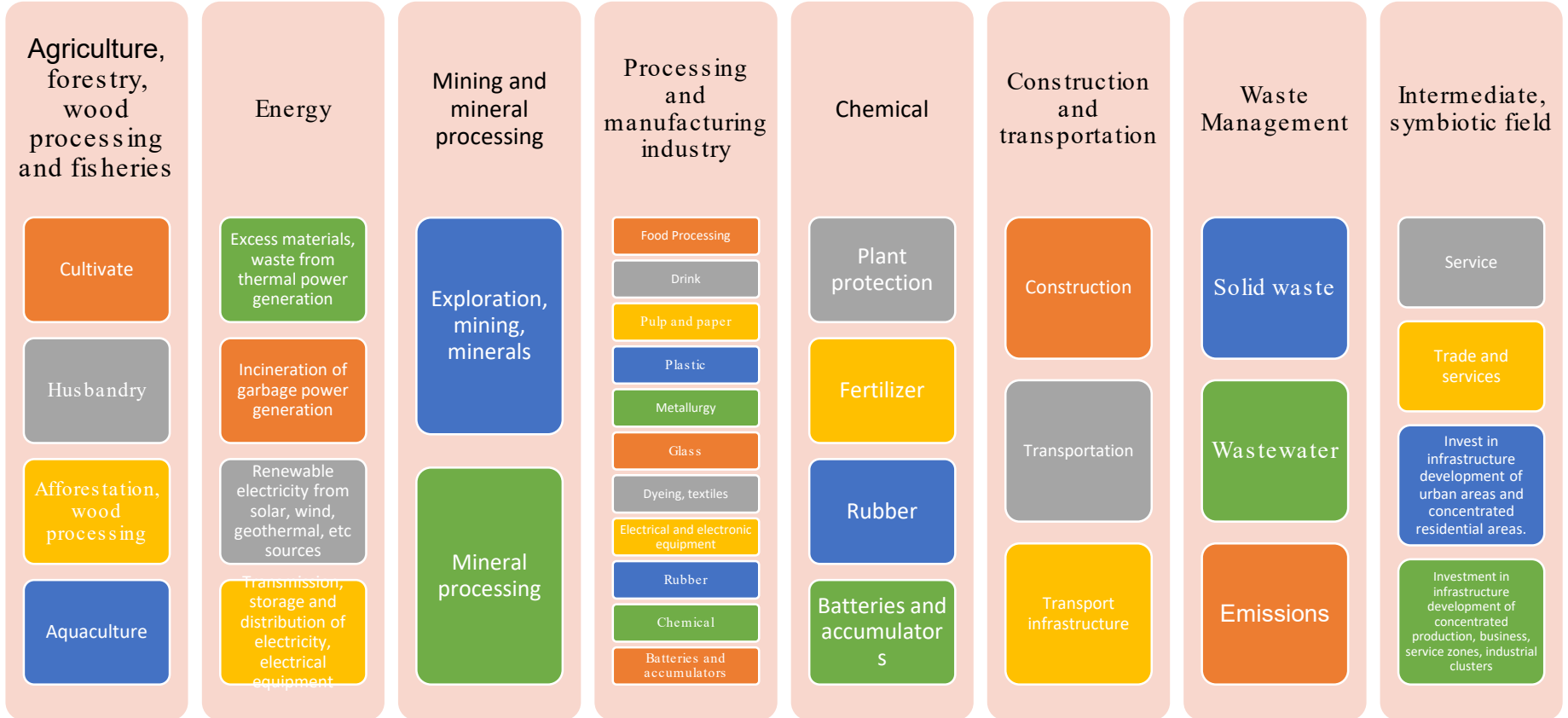
Specific goals to 2030

- ❑ Complete the institutional framework, policies and laws to implement the circular economy.
- ❑ Complete the elaboration and promulgate guidelines on the application of circular economy implementation to priority sectors and domains.
- ❑ Complete the synchronous and linked technical infrastructure system to realize the circular economy.
- ❑ Promote the application and transfer of technology and equipment for the implementation of the circular economy.
- ❑ Forming new value-added chains and supply chains through the application of circular economy models to maximize the value of raw materials, materials and waste.
- ❑ Promote the formation and development of production and business models applying circular economy and creating green jobs.
- ❑ Spreading good habits and practices, creating a culture of sustainable production, business and consumption, building a socially responsible green lifestyle.
- ❑ Complete the institutional framework, policies and laws to implement the circular economy.
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Tasks, activities

- Raise awareness, knowledge, skills and develop good practices on circular economy implementation.
 - Building and perfecting institutions and policies, raising the effectiveness and effectiveness of state management of the circular economy.
 - Support to promote the application of circular economy in production, business and consumption.
 - Waste management to realize a circular economy.
 - Strengthen linkage, cooperation, monitoring and evaluation of circular economy implementation.
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PRIORITY SECTORS



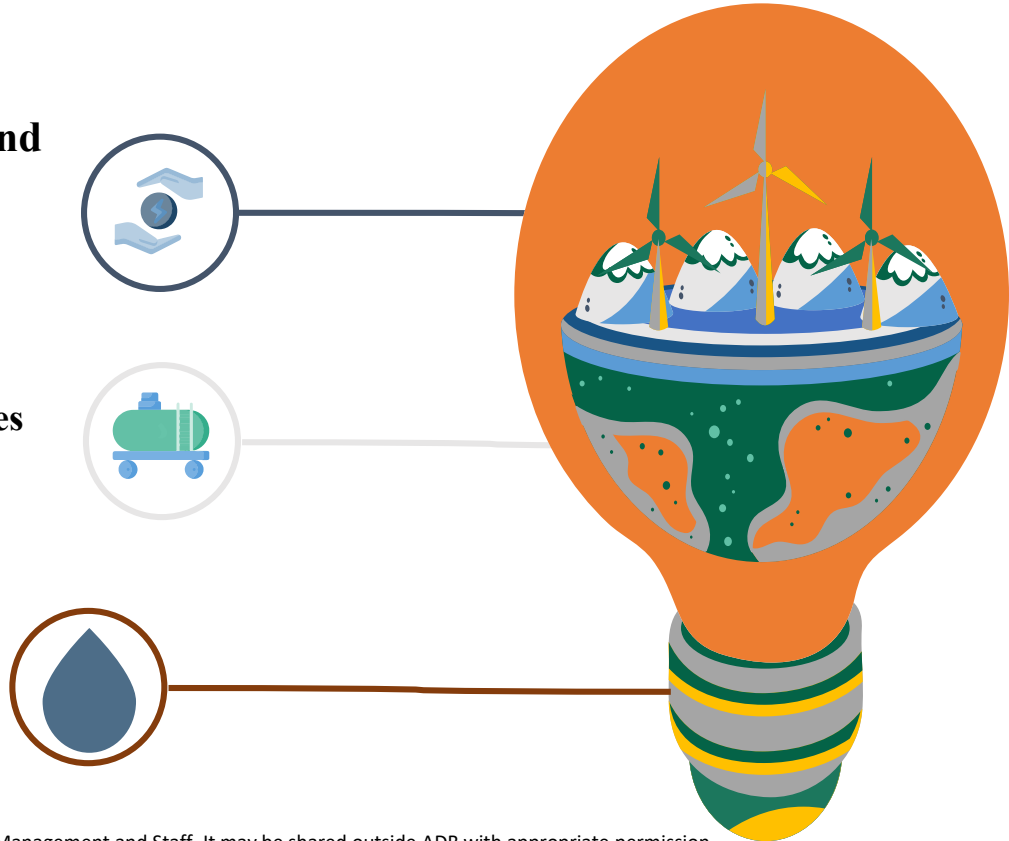
Implementation organizations

**Ministry of Natural Resources and Environment;
Ministry of Planning and Investment;
Ministry of Finance**

**Ministries, ministerial-level agencies
Provincial People's Committees**

**VCCI, professional associations, universities,
research institutes...**

**Owners of investment projects, owners of
production, business and service establishments
(enterprises, cooperatives, other economic
establishments)**



Limitations in awareness of circular economy

Infrastructure is not synchronous and complete

Limitations in data, information, and ability to collect information about CE

Limited resources (human, financial...)

Lack of market motivation (economic benefits, economic incentives...)



**Some challenges in developing
circular economy in Vietnam**

Solutions for enhancing the transition to circular economy in Vietnam

- Communication, education, awareness raising
- Enhance mobilization and effective use of investment resources for the circular economy
- Complete the development and promulgation of action plans to implement circular economy for sectors, fields and localities.
- Establish a system of organization, management, monitoring, evaluation, support and build a common monitoring framework for circular economy implementation.
- Guide and organize the implementation of circular economy integration into development strategies, plans, programs and projects; manage, reuse and recycle waste at all levels and sectors.
- Promote research, technology development, innovation of technology and equipment to serve the implementation of circular economy.
- Promulgate and organize guidance on effective application of mechanisms, policies, regulations, standards and technical regulations in current law to encourage the implementation of circular economy.
- Develop documents and organize instructions for applying circular economy to a number of industries, fields, products and services according to the roadmap.
- Trial application of the circular economy model in a number of potential industries, fields and advantageous localities.
- Establish a mechanism to share and provide information and data, calculate targets and monitor and evaluate the implementation of circular economy in Vietnam.
- Completing the infrastructure system for collecting, classifying and treating waste (garbage and wastewater)

Thank you for paying attention!

[Department of Economics of Natural resources and Environment](#)

kt.isponre1@gmail.com