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Solutions to Enhance the Provincial Green Index in Da Nang City in Central Vietnam

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Abstract

Year 2022 is the first time VCCI Introducing and announcing the Provincial Green Index (PGI) in Vietnam. This is a set of indicators to evaluate and rank environmentally friendly localities from the perspective of business practices such as the level of application of environmentally friendly technology by local businesses, level of management and application. Environmental treatment of businesses, the level of concern and willingness to invest in environmental issues of local governments and many other important environmental issues. Da Nang city

ranked 5th out of 63 provinces and cities nationwide with 16.68 points (calculated on a 40-point scale). Tra Vinh province ranked first with 17.67 points and Hanoi ranked last with 12.52 points. The article points out issues related to the Provincial Green Index (PGI), the current status of PGI in Da Nang City and offers some solutions to improve the Provincial Green Index to promote sustainable development in the City. Da Nang city in particular and Vietnam in general.

Keywords: Provincial Green Index (PGI), Green Economy, Sustainable Development

Introduction

The issue of proactively responding to climate change, strengthening resource management and environmental protection has pointed out the important issues Vietnam is facing. The ability to adapt to climate change and prevent and control natural disasters is still low, the economy is vulnerable and suffers great damage when natural disasters occur. Natural resource management still has many weaknesses and ineffective use, especially land resources and water resources. Some types of resources are abused and over-exploited, leading to degradation and depletion. Environmental pollution continues to increase, especially in urban areas and large cities, greatly affecting people's lives and activities, becoming a pressing social problem. It is not clear, labor productivity increases mainly due to increased capital intensity, the process of restructuring economic sectors still has many limitations; The difference in living standards and the level of people's enjoyment of social services between regions and between localities in the region is still large; Science and technology have not yet become the core driving force of sustainable development, there is still a lack of supporting mechanisms and policies for businesses to innovate and apply technology...; Environmental pollution is still complicated in some localities, especially in areas with high density of industrial development. Environmental pollution in some places is still complicated, handling violations there are still many shortcomings regarding the environment; Climate change and natural disasters greatly affect regions..."

The PGI index gathers business sentiment and conveys the "voice" of the entire business community about the quality of environmental management to governments at all levels. A locality is considered to have good environmental governance quality when it makes efforts to prevent and minimize environmental pollution and negative impacts of climate change; Develop and enforce reasonable regulations and measures to ensure compliance with environmental laws without creating excessive burdens for businesses; fully guide and disseminate green practices and focus on green procurement; and finally, encourage the "greening" of production and business models through specific policies and support programs.

This toolkit will provide the Government and the Ministry of Natural Resources and Environment with useful information about the current environmental situation at the enterprise level. This index is also expected to create direction and pressure for businesses to invest more widely in environmental issues.

Overview of the Provincial Green Index (PGI)

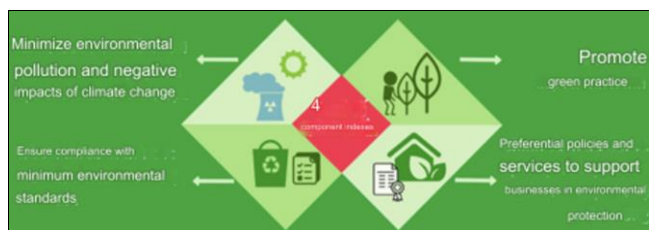
Provincial Green Index, English name Provincial Green Index (PGI) is a set of indicators that evaluate and rank the quality of local environmental governance from the perspective of business practices such as the level of application of environmentally friendly technology. School of businesses; the level of management and environmental behavior of businesses, the level of interest and willingness to invest in environmental issues of local governments and many other important environmental issues.



Source: Compiled by the author

Fig 1: PGI index

The Provincial Green Index is a set of indexes that evaluate and rank environmentally friendly localities from the perspective of business practices such as the level of application of environmentally friendly technology by local businesses, the level of environmental management and behavior of businesses, the level of concern and willingness to invest in environmental issues of local governments and many other important environmental issues. The goal of the green index is to promote provinces and cities in Vietnam to pay more attention to economic development associated with environmental protection, providing timely information to support provincial and city governments in political planning. Policies, promoting the building of an environmentally friendly business ecosystem, contributing to attracting investors with a sense of environmental protection and "green" and quality projects for Vietnam.



Source: Compiled by the authors

Fig 2: Components of the PGI Index

The provincial green index is evaluated and ranked based on 4 component indexes: (1) Minimizing environmental pollution and negative impacts of climate change; (2) Ensure compliance with minimum environmental standards; (3) The role of provincial governments in promoting green practices; (4) Policies and services to support businesses in environmental protection. At the same time, PCI contributes to promoting the process of reforming the local business environment in the current difficult economic context and the business community facing many challenges. By building and announcing PGI, VCCI hopes to encourage and encourage provinces and cities in Vietnam to pay more attention to economic development associated with environmental protection. Because reality proves the very important role of provinces and cities in environmental protection and sustainable development in recent times.

Localities are the main subjects implementing policies related to investment and the environment, selecting environmentally friendly investment projects. Accordingly, localities also play an extremely important role in building an environmentally friendly business ecosystem. These policies also contribute to orienting investors and businesses to be conscious of protecting and promoting more green and environmentally friendly projects. These are the groups of activities and assessment content that the PGI index targets.

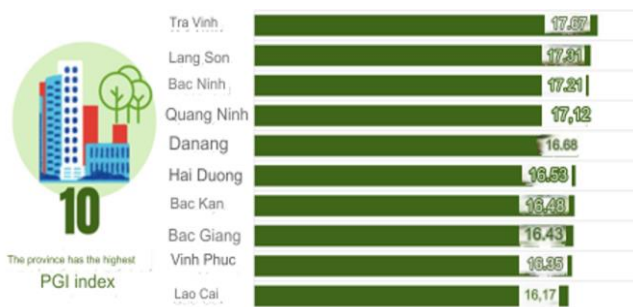
Promote the application of green, environmentally friendly technology

The Provincial Competitiveness Index (PCI) 2022 report was built based on feedback from 11,872 businesses, including 10,590 private enterprises and 1,282 foreign investment (FDI) enterprises. Operating in Vietnam. Since its inception in 2005, 176,496 businesses have participated in the PCI survey, reflecting diverse aspects of the business environment in Vietnam.

PGI Index survey results in 2022 shows that the environmental quality of localities needs to be paid more attention to improvement. More than half of businesses nationwide rate local environmental quality as good or very good. However, 30% of businesses said the locality where they operate is "not polluted" or only "slightly polluted". 37% of businesses said they were not affected by pollution. Notably, 58% of businesses observed that the phenomenon of businesses polluting the environment is common in their locality. Also, according to the VCCI Report, although in general FDI enterprises appear to be more satisfied with local environmental management, compared to domestic private enterprises, there are still some areas that have not been covered. FDI enterprises evaluated positively, such as preventing environmental pollution and sanctioning polluting enterprises. However, foreign investors have a more positive assessment of the local government's guidance on environmental laws and policies to support businesses in environmental protection.

Current status of the Green Index (PGI) in Da Nang City

The PCI 2022 report was built based on feedback from 11,872 businesses, including 10,590 private businesses and 1,282 foreign investment (FDI) businesses operating in Vietnam. Since its inception in 2005, 176,496 businesses have participated in the PCI survey, reflecting diverse aspects of the business environment in Vietnam.



Source: VCCI (2023)

Fig 3: 10 provinces with the highest PGI index

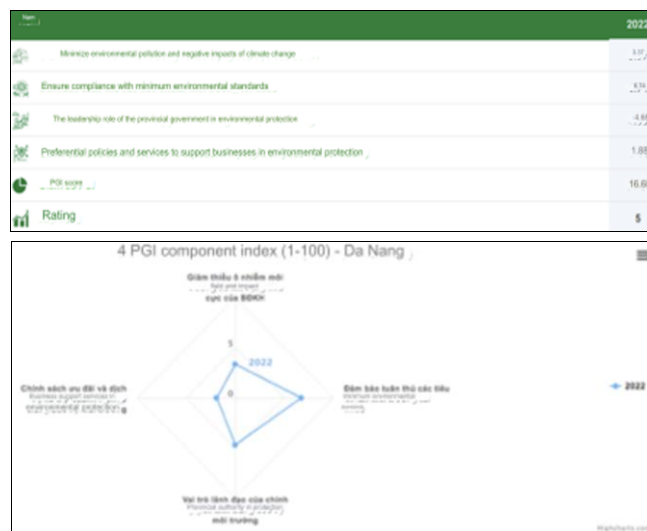
According to PCI 2022 results, the Top 10 localities with the best operating quality include: Quang Ninh, Bac Giang, Hai

Phong, Ba Ria - Vung Tau, Dong Thap, Thua Thien Hue, Bac Ninh, Vinh Phuc, Da Nang and Long An. Of which, Quang Ninh topped the PCI 2022 rankings for the 6th consecutive year with 72.95 points on a 100-point scale. Followed by Bac Giang with 72.80 points and Hai Phong with 70.76 points. Da Nang city ranked 9th with 68.52 points.

This year is also the first year that VCCI and USAID and private partners introduce and announce the Provincial Green Index (PGI). This is a set of indexes to evaluate and rank environmentally friendly localities from the perspective of business practices such as the level of application of environmentally friendly technology by local businesses, level of governance and application. Environmental treatment of businesses, the level of concern and willingness to invest in environmental issues of local governments and many other important environmental issues.

Accordingly, the top 5 localities with the highest PGI 2022 scores include: Tra Vinh, Lang Son, Bac Ninh, Quang Ninh and Da Nang. These are localities with average scores with a 90% confidence interval.

environmental protection reached 1.88 points (out of 10 points), ranked 37/63.



Source: VCCI (2023)

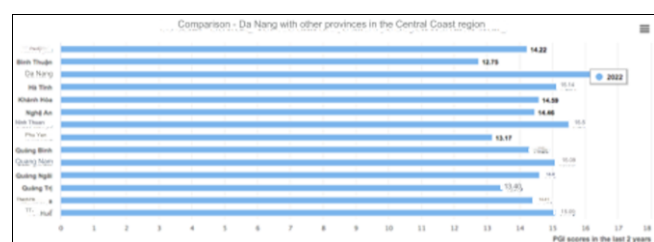
Fig 6: PGI component scores of Da Nang City



Source: VCCI (2023)

Fig 4: PGI score of Da Nang City

Da Nang scored 16.68 points, ranked 5/63 Cities and Provinces (Table 1). In the Central Coast Region, Da Nang ranked 1st (Fig 5).



Source: VCCI (2023)

Fig 5: PGI ranking of Da Nang compared to the Central Coast provinces

Regarding component indices, the Index for ensuring compliance with minimum environmental standards reached 6.74 points (out of 10 points), ranked 1/63 provinces and cities, this is the highest rated index. properly demonstrates the determination of local authorities in ensuring compliance with environmental standards in the city. The index for reducing environmental pollution and negative impacts of climate change reached 3.37 points (out of 10 points), ranked 43/63. The Provincial Government's Leadership Role in Environmental Protection Index reached 4.68 points (out of 10 points), ranked 10th out of 63. The index of preferential policies and business support services in

Assessing the PGI index, Da Nang ranked 5/63 provinces and cities, which is positive and consistent with the city's efforts to ensure a green - clean - beautiful environment. In particular, the 1st position of the component index ensuring compliance with minimum environmental standards shows the right direction of the city when approving the city planning project for the period 2021-2030 in an urban direction. Compress creativity and sustainability, prioritize green infrastructure development to support green economic development.

Da Nang has also issued a clear set of criteria on environmental protection applicable to the public and private sectors, as well as officially implemented an urban project to reduce plastic waste. Da Nang is also the first locality in the country to implement a project using the 3R waste management and treatment model through a cooperation program to share experiences in urban solid waste management of Yokohama city (Japan). With the issue of waste recycling, Da Nang has deployed support for the development of high-capacity waste recycling plants. These are very remarkable efforts of Da Nang.

As the locality ranked 5th in the country in the Provincial Green Index (PGI) with an index of 16.68 and ranked 9th in the Provincial Competitiveness Index (PCI) 2022, Da Nang is considered to have quality management. good environmental value when there are efforts to prevent and minimize environmental pollution and negative impacts of climate change (component index 1); enforce regulations and take reasonable measures to ensure compliance with environmental laws without creating excessive burdens for businesses (component index 2); fully guide and disseminate green practices and focus on green procurement (component index 3) and finally, encourage the "greening" of production and business models through policies and support programs. specific support (component index 4). With drastic and synchronous solutions, Da Nang's environmental protection work will continue to achieve many positive results, contributing to transforming the growth model, directing to a sustainable green economy, thereby improving the PGI Provincial Green Index in the coming years.

Solutions

To get results according to the VCCI 2022 report on PGI, it is necessary to synchronously implement the following specific solutions:

Towards Da Nang City

First, to carry out inspection and supervision of environmental protection activities of production and business establishments, to completely handle environmental pollution, the province needs to plan and build treatment zones. Waste.

Second, dialogue and meetings with businesses: Increase meetings and dialogues with businesses at all levels from province to grassroots, to promptly support and resolve difficulties in production, business and investment activities. Investment in the province. Calling on investors to deploy projects with green, environmentally friendly technology, improving the quality of appraisal work when licensing projects

Third, strengthen the role of the Provincial Business Association: Continue to enhance and promote the role of the Provincial Business Association to connect, share and improve the production and business efficiency of enterprises. Represent and enhance the interests of its members, act as a bridge, advocate for policies, and maintain dialogue with leaders of provinces and cities. And coordination with agencies, units and localities in the province on policies that affect the business activities of the local business community. Business Associations need to operate more effectively.

Fourth, put forward many implementation plans, the entire political system focuses on management, use of resources and environmental protection. Specifically: Regularly inspect environmental protection work in economic zones and industrial parks; The point of view is not to trade off the environment for economics simply, and resolutely not put into operation projects and production facilities that do not meet environmental requirements and have not completed construction projects. Treatment of environmental pollution.

On the part of businesses

First, Businesses and entrepreneurs need to strive to promote the spirit of self-reliance, self-reliance, creativity, and overcome all difficulties; Implement well the guidelines and policies of party committees and authorities at all levels; proactively develop strategies, production plans, build corporate culture, and business ethics. Be proactive, creative, explore, learn, improve the capacity of your own business, and make efforts to approach development policies according to the orientation set by the province. Actively participate in conferences, meetings, and dialogues organized by the province that voiced their opinions on solving difficulties in production and business activities.

Second, proactively coordinate with provincial and local agencies, industrial park management boards as well as the province's Business Association to do a good job of meetings, meetings, exchanges and discussions in conferences held by the province and localities. Locally organized. Don't hesitate to raise your opinions and problems so that the provincial leaders can promptly grasp and solve problems related to the environment: Resource use, waste treatment.

Third, Enterprises need to determine how to harmoniously develop the three goals of the development triangle: Economy, society and environment. Enterprises develop

production and business according to the State's planning and orientation, comply with State laws on environmental protection, contribute resources to environmental protection, and actively demonstrate social responsibility. The social responsibility of businesses is first of all to ensure that the production process limits negative impacts on the environment.

Fourth, in current conditions, when the Fourth Industrial Revolution is developing strongly, businesses need to approach and apply its achievements into practice, innovate technology, and apply business models. New, environmentally friendly for sustainable development.

Fifth, Invest in qualified and high-quality human resources, paying attention to labor income. Have a plan to organize staff and workers to update information, train, improve knowledge and skills at work, apply new technologies in production, save resources, and protect the environment. and towards sustainable development.

Conclusion

In the context of climate change affecting many localities, applying the Provincial Green Index (PGI) in parallel with the Provincial Competitiveness Index (PCI) plays an important role in development. Of Vietnamese businesses and economy. Therefore, localities need to encourage businesses to convert to greener business methods and promote the application of green and environmentally friendly technology. Along with that, for the reception of investment projects, there needs to be multi-dimensional assessments of long-term environmental impacts. Thereby, creating motivation to create high added value and be environmentally friendly. Through the Green Index, we hope that provinces and cities will pay more attention to economic development associated with environmental protection. Providing timely information to support the government in making policies related to investment and the environment, promoting the building of a friendly business ecosystem, promote more green projects, orienting investors who are conscious of environmental protection towards sustainable development.

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