

# Compendium of Environmental Projects in Viet Nam - 1999

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## Foreword

The Compendium of environmental Projects in Viet Nam provides a comprehensive list of all ongoing and planned environmental projects funded by bilateral or multilateral donors in 1999. The information comes from: the United Nations Development Programme's (UNDP) database; a series of questionnaires sent to donors; and more than two dozen interviews to confirm project information. A total of 173 ongoing and 57 planned projects are included in the Compendium, representing more than US\$2 billion of environmental ODA to Viet Nam.

This new Compendium builds on the work of the first UNDP Compendium which covered the period 1985-1995. It focuses on an analysis of inter alia, trends in environmental ODA, donor and beneficiary activities, and how Government targeted areas of environmental interest compare with where ODA is spent. The project appendices list all projects by current status, sector and donor. The statistical appendices list ongoing commitments by donor and sector, beneficiary institutions by sector, and the total commitment for each beneficiary institution.

The production of this Compendium required a large amount of data collection at all levels. We hope that it can provide a stronger basis for an ongoing system of information collection and exchange between the donors and UNDP. Such a system would allow annual updates to be produced, showing trends and changes in future environmental ODA.

Finally, we hope this Compendium can concretely assist the donor community in steering future environmental ODA strategies and commitments to achieve sustainable environmental management in Viet Nam.

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## TABLE OF CONTENTS

<i>List of Tables</i>	i
<i>List of Figures</i>	ii
<i>List of Abbreviations and Acronyms</i>	iii

<b>1. Introduction</b>	<b>1</b>
1.1. What is an Environmental Project?	1
1.2 UNDP Database	2
<b>2. Characteristics of Ongoing Environmental ODA</b>	<b>3</b>
2.1 Profile of Projects	3
2.2 Profile of Donors	5
2.3 Categories and Sectors of Activities	7
2.4 Executing Agencies and Beneficiary Institutions	9
<b>3. Characteristics of Pipeline Environmental ODA</b>	<b>11</b>
3.1 Profile of Projects	11
3.2 Profile of Donors	13
3.3 Categories and Sectors of Activities	14
3.4 Executing Agencies and Beneficiary Institutions	15
<b>4. Environmental ODA Trends and Government Areas of Interest in the Environment</b>	<b>16</b>
4.1 Environmental ODA Trends-1995 Compared to 1999	16
4.2 Environmental ODA Trends-Ongoing Compared to Pipeline	16
4.3 Government Areas of Interest	17
<b>Definition of Terms</b>	<b>20</b>
<b>List of Contacts</b>	<b>21</b>
<b>Bibliography</b>	<b>23</b>
<b>Project Appendices</b>	<b>24</b>
<b>Statistical Appendices</b>	<b>25</b>

## List of Tables

Table 1: Commitments by Type of Assistance	3
Table 2: The 17 Largest Ongoing Projects	4
Table 3: The 15 Largest Donors for Ongoing Projects	6
Table 4: Description of Categories and Sectors	7
Table 5: Main Beneficiary Institutions of Ongoing Projects by Amount	9
Table 6: The 14 Largest Pipeline Projects	12
Table 7: Ongoing and Pipeline ODA Distribution by Categories and Sectors	17
Table 8: Government Areas of Interest	18

## List of Figures

Figure 1: Average Annual Budget at Project Start Date Compared to Number of Projects	4
Figure 2: 1999 Commitments by Donor Group	5
Figure 3: Multilateral Donor Types of Assistance	5
Figure 4: Bilateral Donor Types of Assistance	6
Figure 5: Ongoing Donor Commitment by Category	8
Figure 6: Ongoing Donor Commitment by Category Excluding 17 Largest Projects	8
Figure 7: Pipeline Commitments by Main Grant Donors	11
Figure 8: Pipeline Commitments by Main Loan Donors	11
Figure 9: Pipeline Bilateral Donors' Commitments by Assistance Type	13
Figure 10: Pipeline Multilateral Donors' Commitments by Assistance Type	13
Figure 11: Pipeline Average Annual Commitment of Main Donors	13
Figure 12: Average Pipeline Project Duration by Donor	14

Figure 13: Pipeline Donor Commitment by Category

## 1. INTRODUCTION

During the 1990s, Viet Nam's economy grew at rates approaching 10% per year, and over the past 15 years, the move to a more market-orientated economy has had significant effects on people's well-being. Living standards have risen, especially for the urban population; exports have grown; and the country has benefited from greater foreign assistance.

Increasingly, however, the protection and sustainable use of natural resources are a key concern for continued economic development. A growing population is placing greater demands on natural resources, and natural ecosystems are facing serious problems in the uplands where most of Viet Nam's forests remain. Forest clearance is affecting rivers and water regulation capacities which in turn contribute to increased soil erosion and more severe impacts from natural disasters. Moreover, habitat destruction is leading to a loss of biodiversity.

To help address these problems, international donors have provided strong support to the environment sector in Viet Nam. The natural resources sector ranked eighth overall in terms of Overseas Development Assistance (ODA) in 1995 (UNDP 1996). Since then, donor contributions, information gathering, and co-ordination of activities in the environmental sector have increased. In 1996, the first *Compendium of Environmental Projects in Viet Nam* covering the period 1985 to 1995 was published. This was the first comprehensive look at all environmental projects in Viet Nam.

The 1999 *Compendium of Environmental Projects in Viet Nam* provides a snapshot of current activities and trends in the environmental sector in 1999. It lists 230 ongoing and pipeline environment projects that account for more than US\$2 billion.

This publication is divided into three sections. The first section presents an analysis and discussion of ongoing projects in 1999. The second gives an analysis of pipeline projects as planned in 1999, and the third section presents 1999 ODA trends and highlights the Government's area of interest in the environmental sector. Finally, the appendices present a complete list of projects according to status, sector, donor and beneficiary.

### 1.1 What is an Environmental Project?

Many ODA projects can be classified in more than one sector; they may include both a sectoral focus and an ODA delivery approach (e.g., forestry and institutional strengthening), or they may include components in different sectors (e.g., an integrated conservation and development project). For the purpose of this study, an environmental project is:

*Any ODA project for which the main objective is either the conservation of the natural environment or support for sustainable management of natural resources.*

This is roughly the same definition used in the 1996 Compendium and therefore allows for comparisons across time. Projects in the following sectors which met the definition of an environmental project are included in the Compendium:

- Forestry
- Soil degradation and salinisation
- Watershed management
- Water pollution
- Waste management and pollution control
- Environmental research and training

- Energy efficiency and renewable energy
- Integrated pest management
- Disaster planning and mitigation
- Integrated community development
- Rural development
- Urban and regional development plans

Projects in the following sectors are not included:

- General agricultural research
- Commercially oriented agricultural projects
- Irrigation
- Water supply and sanitation

Water projects which focus specifically on water resources management, pollution control, or wastewater management are included, however. The reason most water supply projects were excluded in both Compendiums is that a large number of projects in the water supply sector focus primarily on public health.

## **1.2 UNDP Database**

The UNDP Development Co-operation Analysis System Database (DCAS), updated in July 1999, was the primary source of information for this report. These data were cross-checked with the database of environmental projects developed for the 1999 UNDP/MPI *Study on Aid to the Environmental Sector in Viet Nam* and with the Ministry of Agriculture and Rural Development's (MARD) project database. This resulted in a database of approximately 200 projects, which was then submitted to donors for confirmation and updating. All donors cited in this Compendium were interviewed to verify project information.

The information in the Compendium is current as of July 1999. Changes in projects made after this date are not shown in the Compendium.

It is worth noting that projects which include a loan portion and a grant portion were split in the Compendium into separate projects; this allows for a more accurate comparison of overall grant and loan levels for environmental ODA.

Finally, the database does not include projects funded by NGOs or projects under US\$20,000.