FINANCIAL RESOURCES FOR NATIONAL SDGs IMPLEMENTATION

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• Financial resources for national SDGs implementation
• Policies to mobilize domestic resources for SDGs implementation
• Recommendation for strengthening public financial resources
• Recommendation for mobilizing private resources
FINANCIAL RESOURCES FOR NATIONAL SDGs IMPLEMENTATION

Resources from the State budget for SDGs implementation are allocated in the annual estimated budgets of ministries, organizations and localities, and are integrated in the budgets for the Five-Year and Annual SEDP.

The Government will give priority and allocate adequate fund from central and local budgets to support the implementation of the NAP.

Financing for SDGs implementation

- State budget
- Investments from businesses, the private sector, social organizations, communities
- External resources: ODA, FDI and other resources
Policies to Mobilize Financial Resources for SDGs Implementation

- Strengthening public financial resources through enhancing the effectiveness of the taxation system and public expenditures savings; and renovating the management of public finances through improved transparency and openness.

- The Government will create a legal basis, issue mechanisms, policies for the mobilization of resources from society at large, particularly investments from the private sector, for the implementation of NAP and achievement of the SDGs;

- Encourage businesses, social organizations to be proactive in developing and implementing initiatives in order to ensure effective realization of the goals.

- Sustainable Development Support Fund will be set up in order to mobilize domestic and external resources for achievement of sustainable development goals.

- Promoting Public - Private Partnerships
The regulatory framework for PPPs in Vietnam

- Decree 15/2015/ND-CP dated February 14, 2015 on PPP investment
- Circular 02/2016/TT-BKHĐT, dated March 1, 2016

Incentives for Investment

- exemption of land use fee for the allocated project area
- tax preferences for goods imported for the projects
- Corporate Income tax reduction or exemption

Open Sectors for Investment

In addition to transport infrastructure, power plants, hospitals and waste treatment plants, PPP investments may be made in the following industries: agriculture, education, culture, sports, science and technology facility…
RECOMMENDATIONS FOR STRENGTHENING PUBLIC FINANCIAL RESOURCES

- **Improve the effectiveness of tax system**
  - Strengthen the tax system, including tax policy capacity
  - Reduce tax evasion and corruption through strengthened national regulation, improved domestic governance, and transparency.

- **Enhance savings**
  - Rationalize and reduce costly subsidies, including fossil fuel subsidies and support the export of agricultural products.
  - Renovating public financial management to promote equity, gender equality, good governance, increased accountability at all levels and transparency.
  - Strengthening the capacity of central and local agencies to improve taxation, access to domestic capital markets, loans from financial institutions.
RECOMMENDATIONS FOR MOBILIZING PRIVATE RESOURCES

- **Build a favorable domestic environment:**
  - Improve the investment environment;
  - Strengthen regulatory frameworks to harmonize business practices with sustainable development, including protection of workers' rights, environmental standards, complementary environmental, social and governance initiatives.
  - Develop preferential policies, investment incentives for private sector
  - Implement balanced state management and policy to ensure stability and access to finance.
RECOMMENDATIONS FOR MOBILIZING PRIVATE RESOURCES

- **Develop the domestic financial sector**
  - Develop the domestic financial market, including the bond market, using the capital market to mobilize funds for sustainable development (for example, green bond issuance);
  - Promote the development of domestic institutional investors and the necessary state management framework to attract long-term capital for infrastructure development, innovation and sustainable development (e.g. national funds for investment in infrastructure, poverty reduction, and technology adoption).
RECOMMENDATIONS FOR MOBILIZING PRIVATE RESOURCES

- **Ensure access to financial resource for all**
  - Promote access to financial services for households and micro enterprises. Build capacity for loan assessment, using mobile banking services, ensuring consumer protection and providing financial literacy;
  - Promote loans to micro, small and medium enterprises through national development banks, credit unions and other financial institutions.
THANK YOU FOR YOUR ATTENTION!

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