

READING DOCUMENT

Module title: Local economic development toward sustainable

Module hours: 16

Module hour distribution:

Present
08 periods

Discuss
08 periods

Go in practice

Total
16 periods

INTRODUCTION

1. PURPOSE

Knowledge: provide students with basic knowledge to improve local economic development in a sustainable way; participants were introduced to successful EIA models in the world and their applicability in Vietnam; Students are equipped with knowledge of sustainable development; understand the processes of formulating and implementing sustainable EIA strategies.

Skills: trainees are equipped with necessary skills in understanding and comprehensively evaluating the EIA strategy of an administrative unit; participants are provided with skills and tools in formulating and implementing sustainable EIA strategies. From there, participants have the ability to decide on ways to deal with challenges and opportunities in the EIA towards sustainable development.

2. REQUIREMENTS

- Understand regulations, laws and policies related to local economic development
- Understand the role of government in promoting local economic development.
- Understand the strategic planning processes for local economic development.

3. SUBJECT, TIME

3.1. Object

This training and refresher course is developed for the following target groups:

- Group 1: Leaders of provincial People's Committees: Chairmen, Vice Chairmen of provincial People's Committees (including provinces and centrally-run cities) and officials subject to source planning adjacent to this title.
- Group 2: Leaders of district-level People's Committees: Chairmen, Vice Chairmen of district-level People's Committees (including districts under centrally-run cities; cities, towns and districts directly under the province) and officials subject to source planning adjacent to this title.
- Group 3: Leading civil servants, professional civil servants related to the field of MPI at the provincial level.
 - *Director, Deputy Director, Head, Deputy Department, professional civil servants under the Department of Construction, Department of Planning and Architecture, Department of Transport.*
 - *Leading civil servants and professional civil servants in the field of construction management under the Departments of Agriculture and Rural Development, Department*

of Natural Resources and Environment, Department of Industry and Trade.

- Leading and professional civil servants in specialized construction project management boards; Provincial Urban Development Area Management Board; Management Board of industrial parks and economic zones.
- **Group 4: Leading civil servants, professional civil servants related to the field of MPI at the district level.**
 - Heads, Deputy Departments and professional civil servants of the Urban Management Department, Infrastructure Economics Department, Construction Project Management Boards of districts, cities and towns.

3.2. Time

Duration of training and retraining: 02 days (16 lessons)

4. PROGRAM CONTENT

STT	Form	Subject	Time (section)
1	Journey + discussion	<ul style="list-style-type: none"> • Training OUTLINE on local economic development under sustainable urban governance approach • The Guiding Case for Local Economic Development under a Sustainable Urban Governance Approach 	1 lesson (**)
2	Give a talk	<p>Overview</p> <ul style="list-style-type: none"> • The concept of local economic development • Some new approaches: green growth, circular economy... • The role of urban governance in local economic development • National Economic Development Strategy • How to build a strong local economy • Local Economic Development Stakeholders • Local Economic Development Strategic Planning Process 	1 lesson (**)
	Discuss	<ul style="list-style-type: none"> • Where Local Urban Planning Is Discussed- Drivers of Local Economic Development 	1 lesson (**)

STT	Form	Subject	Time (section)
3	Presentations + discussions	<p>Organize and coordinate the parties in strategic planning of local economic development in Vietnam</p> <ul style="list-style-type: none"> Identify the local economic development strategic planning team. Set up an operating process Develop a team of stakeholder partners. Develop coordinated ways to work with all levels of government Organize the development of local economic strategies and projects. 	1 lesson (**)
	Discuss	<ul style="list-style-type: none"> The case discusses local circular economy development. 	1 lesson (**)
4	Give a talk	<p>Strategizing for local economic development in Vietnam</p> <ul style="list-style-type: none"> Create a Vision Develop general goals Develop specific goals Program Development Selection of projects 	2 periods (**)
	Discuss	<ul style="list-style-type: none"> The case discusses strategizing for local economic development. 	1 lesson (**)
5	Give a talk	<p>Implement a local economic development strategy in Vietnam</p> <ul style="list-style-type: none"> Urban governance challenges in implementing local economic development strategies Prepare a specific project action plan Make implementation plans for all programs and projects Develop an institutional framework to implement and monitor local economic development Ensure the availability of resources to implement the local economic development strategy Perform the tasks in the project action plan. 	2 periods (**)
	Discussion + teamwork	<ul style="list-style-type: none"> The case discusses implementation and monitoring activities for local economic development. 	2 periods (**)

STT	Form	Subject	Time (section)
6	Give a talk	Financial resources for local economic development in Vietnam <ul style="list-style-type: none"> • Local financial system • Mobilizing financial resources • Credit for Business • Credit for local economic development programs 	2 periods (**)
	Discuss	<ul style="list-style-type: none"> • The case discusses financial resources for local economic development. 	2 periods (**)

CONTENT

I. GENERAL INTRODUCTION

1.1. THE CONCEPT OF LOCAL ECONOMIC DEVELOPMENT

According to the World Bank:

"Local economic development is a process by which public sector partners, businesses and NGOs work together to create better conditions for economic growth and job creation. It shows that communities continuously improve the investment and business environment to enhance competitiveness, retain jobs and increase incomes."

According to the ILO (International Labour Organization):

"EIA is a participatory development process that encourages collaborative agreements between key stakeholders of the public and private sectors in a defined territory, enabling the alignment and implementation of a common development strategy by leveraging local resources and comparative advantages in a global context. The ultimate goal is to create decent jobs and encourage economic activity. "

According to the United Nations Human Settlements Programme – UNHabitat:

"A participatory process where local people from all departments come together to promote local commerce towards a fast and sustainable economic recovery."

It is a support tool that creates good jobs and improves the quality of life for everyone, including the poor and those who are often marginalized."

1.1.2. Implications of local economic development

Through the above definitions, some core points of Local Economic Development are drawn:

- A multi-stakeholder participatory process
- Being approached in a bottom-up approach means valuing community opinion
- Takes place in a defined territory (city, region, etc.)
- With qualitative and quantitative indicators to create changes for the development of local economic prosperity.

1.2. SOME NEW APPROACHES OF THE ECONOMY

1.2.1. Green Growth (Green Economy)

Green growth is a mode of economic growth and development while preventing environmental degradation, loss of biodiversity, and unsustainable use of natural resources. It builds on sustainability initiatives in many countries and aims to identify cleaner resources for growth, including seizing opportunities to develop new green industries, jobs and technologies, while also managing those structures related to the transition to a greener economy. According to the United Nations Green Growth Initiative: Green growth or building a green economy is the process of restructuring economic activity and infrastructure to get better results from investments in resources, human resources and finance, while reducing greenhouse gas emissions, extracting and using fewer natural resources, creating less waste, and reducing inequities in society. According to the Organisation for Economic Co-operation and Development: green growth is about driving economic growth and development while ensuring that natural resources continue to provide the environmental resources and services essential to our lives. To accomplish this, Green growth must be a catalyst for investment and innovation, a basis for sustainable growth and enhanced creation of new economic opportunities.

1.2.2. Circular economy

The circular economy is an economic model in which design, production, and service activities set the goal of extending the life of material and eliminating negative impacts on the environment. If the traditional economic model only cares about resource extraction, production and post-consumption elimination, leading to the creation of a huge amount of waste, the circular economy model focuses on managing and regenerating resources in a closed loop to avoid waste generation. The transition to a circular economy is a great opportunity for sustainable development, not only to achieve socio-economic and environmental goals, but also to respond to climate change.

1.3. THE ROLE OF URBAN GOVERNANCE AND URBAN ECONOMY IN LOCAL ECONOMIC DEVELOPMENT

Urban management involves the public and private sectors working efficiently and rationally to use and manage urban resources (human, technical, material, information, infrastructure services and economic systems of production), contributing to EIA, with specific goals as follows:

1. Improve the overall quality and efficiency of the urban built environment, serving the diverse needs of urban life;
2. Ensuring the sustainable development of urban areas;
3. Provide urban services and basic infrastructure to meet the needs of residents living and working in urban functional areas;
4. Improve the quality of life and health of urban dwellers.

1.4. NATIONAL ECONOMIC DEVELOPMENT STRATEGY

Sustainable development has become an overarching trend in the world; Digital economy, circular economy, green growth are the development models chosen by many countries. The 2030 Agenda for Sustainable Development of the United Nations has a great influence on the mode of growth, economic cooperation, trade and investment in the world. Switching to renewable energy, green energy will be a clearer trend in the coming period. On March 31, 2022, the Prime Minister signed Decision No. 411/QĐ-TTĐ approving the National Strategy for Digital Economy and Digital Society Development to 2025 with orientation to 2030 (Strategy).

1.5. HOW TO BUILD A STRONG LOCAL ECONOMY

Efficient administration

In order to improve the effectiveness of the management of EIA, first of all, it is necessary to improve the awareness, expertise and leadership capacity of the management team. Improve the efficiency of the formulation and strict enforcement of the law, ensure progress, quality, completeness, synchronization, feasibility, low compliance costs, modernity and integration. To innovate more strongly the State's economic management method in the direction of transferring the work that the State does not necessarily do to social organizations, converting the direct provision of public services to the method of ordering. Strongly innovate decentralization, decentralization and improve coordination efficiency in leadership, direction and administration. The Government manages large balances, plays a role in guiding the overall development of the whole country. Local authorities focus on providing basic social services, solving social problems, enforcing laws, improving the business environment and ensuring security and order in the area.

Favorable environment for business

The policy environment must be safe. Poor economic policies and restrictive state systems can seriously impact local economic development efforts through rising risks and production costs. For example, production risks and costs will be affected when investment opportunities and key management positions are delegated to incompetent friends and relatives; every time bribery appears in businesses and businesses, creating links between them and politicians; and when tax rates or regulations are uncertain and changed with the new administrative system. Local governments need to create a policy environment in which investors, businesses – large and small, members or non-members of the locality – feel secure. Investment and follow-up jobs have the same or higher return-risk ratio than in other localities. For investors, consistency, rationality, logic and clarity in government policies and regulations are all critical, creating a friction-less business environment. Without a safe investment environment, local financial and human resources will leave the locality and it will be difficult to attract outside investment.

Competitive advantage and cooperation

The world is a competitive environment. Therefore, understanding local competition and

competitive advantages is very important. Competitive advantage is a condition (local strengths, weaknesses, external opportunities and threats) that allows a locality to operate more efficiently, or with a higher quality than the places it competes with—in order to bring benefits to that locality. Although competition promotes performance and innovation, excessive competition in investment can cause all parties to fail and can make marginalized groups even more disadvantaged, competitive analysis is only one part of the overall economic picture.

1.6. STAKEHOLDERS IN LOCAL ECONOMIC DEVELOPMENT

The effective development of the local economy requires the active and synchronous participation of many actors at different levels. In general, participants generally consist of 3 main groups: (1) Public management sector, they will be the legal guarantors of the planning process, explain reports related to planning where and when necessary, on the other hand, public management agencies are also involved as providers of public services, an important element in the process of MPI; (2) Area management and business organizations, who manage and directly perform the function of providing economic products and services in the locality and generating the main income for the local economy; (3) Workers and community organizations, non-governmental organizations, participate as strong drivers in all economic and social aspects, enhance transparency and protect the interests of the community.

1.7. STRATEGIC PLANNING PROCESS FOR LOCAL ECONOMIC DEVELOPMENT

Good practice dictates that local economic development must always be guided by a strategy. Ideally, the EIA strategy would form a component of a broader strategic development plan that includes social and environmental components. The EIA strategy focuses on strengthening local economies and building local capacity. The timeframe for an EIA strategy is typically between three and eight years and includes annual implementation plans. The logical sequence of these stages is outlined in the table below.

The strategic planning process consists of 5 phases

The process of strategic planning for local economic development usually has 5 phases and while these phases are emphasized as separate phases, in practice, strategic planning is a flexible process and one stage usually continues in parallel with another depending on local needs. If there is a problem in a particular period, it may not be the result of the work in that stage but the appropriateness of the previous stage. The previous and subsequent stages may need to be refined or reworked to resolve the issues. Strategy is a living document that should be changed when circumstances dictate.

The five-stage sequence of the EIA strategic planning process



II. CASE GUIDE FOR SUSTAINABLE LOCAL ECONOMIC DEVELOPMENT

2.1.XXX

Sustainable urban development has become a trend of many countries to create livable cities, balanced cities with nature, reduce ecological footprints and respond to climate change. Around the world, many cities have had sustainable urban development solutions since the last years of the last century and have achieved good results to improve the living environment, balance ecosystems, connect people with nature and sustainable development.

On the basis of the principle of sustainable development, with the characteristics of urban areas, the concept of sustainable urban development is based on the principle of unification: Urban economy; urban society; urban ecological environment; urban infrastructure; urban space (contains the spatial requirements of the above components except the software component); Urban management (software component) to find common areas or common voices ensures the requirements: equity, good living and sustainability. Based on the close organic relationship between the above-mentioned components in the common region to determine relevant sustainable urban development criteria. Thus, it can be seen that the relationship between sustainable urban development criteria is a close, organic unity with each other. Lack of one of the criteria groups as well as those in the criteria groups can lead to a healthy urban development and even more sustainable urban development.

Eco-sustainable cities have become a development movement across continents: In Europe, there are many ecologically sustainable cities such as: Stockholm, Sweden; Copenhagen, Denmark; Freiburg, Germany; Helsinki, the capital of Finland; Wellington, the capital of New Zealand; Oslo, the capital of Norway... In the Americas, some typical ecologically sustainable cities such as: Vancouver, Canada; Curitiba, Brazil; Calgary; Ottawa, Toronto in Canada; Pedra Branca of Brazil; Honolulu, Hawaii, USA... In Asia, the movement for sustainable ecological urban development is quite strong, especially in developed countries, there have been many cities towards this goal such as: Singapore; Dongjin, Tianjin, Kyoto, Yokohama; Incheon...

2.2. LESSONS LEARNED TO GUIDE LOCAL ECONOMIC DEVELOPMENT TOWARDS A SUSTAINABLE URBAN APPROACH IN VIETNAM

Through experiences in sustainable urban development in the world, it can be synthesized in key areas including: Sustainable institutions; Environmental sustainability; Sustainable Economy and Sustainable Society, specifically:

- Institutional sustainability
- Environmental sustainability
- Sustainable economy
- Sustainable development society

III. ORGANIZING AND COORDINATING THE PARTIES IN THE STRATEGIC PLAN FOR LOCAL ECONOMIC DEVELOPMENT IN VIETNAM

3.1. IDENTIFY GROUPS OF STRATEGIC PLANS FOR LOCAL ECONOMIC DEVELOPMENT

The use of the participation of the parties in strategic planning (KHCL) will gather the attention of many parties, many opinions with may be contradictory, but after unified discussion, it will create a CSC with the highest consensus agreement, The set objectives ensure the most reasonable reconciliation of the interests of the beneficiaries. Having the participation of many parties in planning will be an effective way to ask questions, discuss problems, set priorities, anticipate many arising that may occur in the process of local development, a comprehensive integrated MPI, etc there is a solid basis for implementation, and that will be an important basis to make the EIA goals a reality.

3.2. ESTABLISH AN OPERATING PROCEDURE

The planning team will include: Core Group – Stakeholder Group – Working Groups. A 3rd workflow is as follows: The core team works with a group of elected representatives to form working groups.

3.3. DEVELOP A STAKEHOLDER PARTNER TEAM

Stakeholders are individuals, businesses, organizations or groups in the public, private, and not-for-profit sectors interested in strategizing and implementing EIA programmes and projects. Many cities engage stakeholders in EIA processes, from strategy development, to program and project implementation, to monitoring and evaluation, as doing so can increase:

- Credibility, fairness and transparency, by making the planning process public;
- Efficiency, as it is easier to understand actual (economic) needs when beneficiaries participate. It also contributes to building support and overcoming resistance and mistrust;
- Effectively, as stakeholders can mobilize their resources to support and promote local economic development.

3.4. DEVELOP COORDINATED WAYS TO WORK WITH ALL LEVELS OF GOVERNMENT

The effective implementation of any EIA strategy will require coordinated political support and effort. Ensure that local political leaders (mayors, councillors, ward members, community leaders, elected representatives) will help ensure that the MPA achieves both political support and commitment of the resources needed for effective implementation. The city's leadership and responsibility for the lights should be given to a local political leader. In some cases, this will involve the chair of an important committee of city government, such as the Policy and Resources Committee. These committees typically oversee both the city's policy direction and resource allocation, and the EIA strategy reporting process must be part of the council's annual

decision-making cycle. Over time, many municipalities began an independent, autonomous Standing Economic Development Commission. As a locally oriented process, opportunities to develop appropriate local political mechanisms will be diverse.

3.5. CONSIDER ORGANIZING THE DEVELOPMENT OF LOCAL ECONOMIC STRATEGIES AND PROJECTS

Creating a proper organizational arrangement for the development and implementation of local economic development is an important undertaking. It is not necessary to decide this at the beginning of the strategic planning process, but also during the strategy development process. There are a number of institutional locations where EIA can be located within an municipality.

IV. PROCESS OF ESTABLISHING A LOCAL ECONOMIC DEVELOPMENT PLAN IN VIETNAM

4.1. THE IMPORTANCE OF LOCAL ECONOMIC DEVELOPMENT PLANNING

In our country, which is implementing a socio-economic development plan, this is not merely a document that systematically defines activities for socio-economic development according to goals and targets for a certain period of time for the country or locality, but also includes measures and mechanisms. The policy aims to implement the objectives set during the planning period. A socio-economic development plan is a written commitment of the government to the people and all walks of life on the efficiency of the public apparatus in changing and improving people's lives. Along with the cause of economic renewal of the country, the planning work has been renewed step by step, contributing significantly to the success of the country over the past 30 years.

4.2. SPECIFIC INTRODUCTION OF STEPS IN THE STRATEGIC PLANNING FRAMEWORK

According to the strategic planning process, there are 7 steps, but there is also a document called the 8-step model because there is 1 step to balance resources when proceeding to step 5.

Step 1

The preparation step is also called the warm-up step

Step 2

Analysis of the potential and current status of local socio-economic development- SWOT analysis



4.3. CREATE A VISION FOR LOCAL ECONOMIC DEVELOPMENT STRATEGIES

The vision should be a description of the stakeholders' desired economic future for the community, that is, where the city, town, or local community aspires to be in the future (usually three, five, or eight years). While the vision may not be completely achievable, it gives the community a clear direction. The "vision" (the process of creating a vision) must be both imaginative and realistic. The vision should be based on and reflect the key issues highlighted in the local economic assessment. On the basis of the vision, the purposes, objectives, program and action plan of the project will be developed. A vision should be developed and agreed upon by all stakeholders. Only with such stakeholder "ownership" does the vision act as a strategic guide, guiding the actions of different stakeholders in the same direction. Many localities hold consultation meetings from multiple stakeholders in the local community to present the results of the assessment of the local economy and create a cross-cutting vision.

4.4. ESTABLISH OVERARCHING OBJECTIVES FOR LOCAL ECONOMIC DEVELOPMENT STRATEGIES

From a macro perspective, in order to develop and prosper, the Party and State need to develop a socio-economic development strategy with overall objectives, viewpoints and solutions. In that sense, strategic breakthroughs reflect macro-level, decisive, strategic choices. At the same time, strategic breakthrough also means impacting on key and core stages, issues and contents to successfully implement the country's socio-economic development strategy.

Identifying the “right” and “winning” strategic breakthroughs is extremely important for the nation’s strength and prosperity.

At the local level, goals indicate specific outcomes that the community seeks to achieve. The goals are much more descriptive and specific than a vision statement and must be directly related to findings from the local economic assessment. Good practice indicates that in the selection of goals, the manageable figure is usually no more than six goals or strategic breakthroughs.

4.5. ESTABLISH SPECIFIC TARGETS FOR LOCAL ECONOMIC DEVELOPMENT STRATEGIES

Specific goals must be formulated in detail. These specific goals must be time-bound and measurable. The aim is to leverage strengths, overcome weaknesses, exploit opportunities, and deal with threats identified during the assessment of the local economy. A widely accepted way to build goals is to check if they are SMART.

4.6. PROGRAM DEVELOPMENT FOR LOCAL ECONOMIC DEVELOPMENT STRATEGIES

After completing an assessment of the local economy and defining its vision, goals and objectives, the community will need to decide which key programs will become core of its strategy. Many options are being used by communities today, and the program options offered on the following page are typical core choices. The programmes discussed here include practically all interventions that can be used in NCD, and as communities become more complex, so do the programmes and projects they develop. Although there are many options described here, it is clear that the choice of programs and projects must be limited to needs and resources.

4.7. SELECTION OF PROJECTS FOR LOCAL ECONOMIC DEVELOPMENT STRATEGIES

In each program area, projects should be proposed and selected on the basis of clear criteria. Each potential EIA project should be assessed to determine whether it meets the broader objectives, objectives and priorities of the EIA that have been discussed and agreed upon by stakeholders. It is also important, especially for longer projects, to conduct a careful feasibility study to verify whether the project can be implemented technically and financially.

4.8. LOCAL ECONOMIC DEVELOPMENT INDICATORS

Indicators for measuring EIA development can consider different groups of indicators:

The group of indicators reflects economic growth: the annual or average annual economic growth rate of a certain period.

Group of indicators reflecting changes in socio-economic structure: sectoral economic structure index in GDP; structural indicators of foreign trade activities; the proportion of the population living in urban areas in the total population; the proportion of workers working in

industries, agriculture and services...

The group of indicators reflects the quality of life.

4.9. DEVELOP CRITERIA FOR ASSESSING LOCAL ECONOMIC EFFICIENCY

Based on the scientific basis of developing a set of criteria for evaluating the effectiveness of EIA, the framework of the set of criteria is proposed with the following main component indicators:

STT		Indicator name	Units of calculation
I. GENERAL INDICATORS (28 INDICATORS)			
AGGREGATE INDICATORS (1 indicator)			
1	1	Human Development Index (HDI)	£0 £1 factor
ECONOMIC SECTOR (7 indicators)			
2	1	The ratio of development investment capital in the area to the gross product in the area	%
3	2	Efficiency of investment capital use (ICOR coefficient)	Coefficient
4	3	Social labor productivity	Million VND/ labor
5	4	The ratio of budget revenues to budget expenditures in the area	%
6	5	The area of rice land is protected and maintained (according to CP Resolution)	Thousand hectares
Recommended criteria*			
7	6	The contribution of total factor productivity (TFP) to the overall growth rate	%
8	7	The reduction of energy consumption to produce a unit of gross product in the area.	%
SOCIAL SECTOR (11 indicators)			

STT		Indicator name	Units of calculation
9	1	Poverty rate	%
10	2	Unemployment Rate	%
11	3	The proportion of trained working workers	%
12	4	Coefficient of Inequality in Income Distribution (Gini Coefficient)	£0 £1 factor
13	5	Sex ratio of newborn children	boys/100 girls
14	6	The proportion of people paying social insurance, unemployment insurance, health insurance	%
15	7	The proportion of local budget expenditure on cultural and sports activities	%
16	8	The proportion of communes recognized as meeting the new rural criteria	%
17	9	Mortality of children under 5 years of age	%
18	10	Number of deaths due to traffic accidents	People /100,000
19	11	The percentage of students attending high school at the right age	%
NATURAL RESOURCES AND ENVIRONMENT (9 indicators)			
20	1	The proportion of the population that has access to clean water	%
21	2	The proportion of protected land area and maintenance of biodiversity	%
22	3	Degraded land area	has
23	4	The proportion of urban areas, economic zones, industrial parks, export processing zones, industrial clusters treating solid waste and wastewater meeting	%
24	5	Forest cover rate	%

STT		Indicator name	Units of calculation
25	6	The rate of solid waste collected, treated	%
26	7	Number of natural disasters and extent of damage	Department, Million Dong
Recommended criteria*			
27	8	The proportion of mineral exploitation projects that have been rehabilitated to the environment	%
28	9	Number of projects built under the clean development mechanism - CDM	Project

II. REGION-SPECIFIC INDICATORS (15 INDICATORS)

MIDLANDS, MOUNTAINOUS AREAS (1 target)

1	1	Number of cases and area of burnt and cleared forests	Department, ha
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DELTA (2 indicators)

2	1	The proportion of the area sown for annual crops irrigated and peppered	%
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Recommended criteria*

3	2	The proportion of wetland areas in deltas that are protected and biodiversity maintained	%
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COASTAL ZONE (2 indicators)

Recommended criteria*

4	1	The content of some organic matter in estuarine and coastal seawater	mg/lit
5	2	The area of coastal mangroves is preserved, maintaining biodiversity	has

MUNICIPALITIES DIRECTLY UNDER THE CENTRAL GOVERNMENT (5 targets)

STT		Indicator name	Units of calculation
6	1	Housing area per capita	m2
7	2	Reduction in groundwater, surface water	m3/person/year

Recommended criteria*

8	3	The proportion of budget expenditure on the maintenance and maintenance of historical relics and tourist attractions	%
9	4	Area of urban green land per capita	m2/person
10	5	The rate of days with the concentration of hazardous substances in the air exceeding permissible standards	%

RURAL (5 targets)

11	1	Value of harvested products per 1 ha of arable and aquaculture land	million dong
12	2	Percentage of rural population with access to sanitary water	%
13	3	Percentage of rural solid waste collected and treated	%

Recommended criteria*

14	4	The average amount of chemical fertilizers and plant protection drugs is 1 ha of arable land	kg/ha
15	5	The rate of solid waste collected and treated by craft villages	%

V. IMPLEMENTATION OF THE LOCAL ECONOMIC DEVELOPMENT STRATEGY IN VIETNAM

5.1. URBAN GOVERNANCE CHALLENGES IN IMPLEMENTING LOCAL ECONOMIC DEVELOPMENT STRATEGIES

A number of issues need to be addressed for the infrastructure services sector, especially related to poor urban neighborhoods. Urban environmental quality and sanitation are major issues facing Vietnam, especially in big cities, and this situation is exacerbated in central areas with high population density. Besides, Vietnam's major cities all face flooding in the rainy season; Most towns and rural areas do not yet have organized wastewater collection and treatment systems. Besides, fast-growing urban areas are causing challenges for urban transportation. All cities lack public transportation. Buses are the main means of public transport but do not meet the increasing requirements. Vietnam has the highest per capita motorcycle ownership rate in the world and a high rate of traffic accidents. And this percentage is continuing to grow. The rapid increase in mechanization causes congestion of urban roads and air pollution.

5.2. MAKE IMPLEMENTATION PLANS FOR ALL PROGRAMS AND PROJECTS

Once the EIA programmes and projects have been selected, implementation planning begins. Strategy implementation is driven by a broad Implementation Plan, which in turn is driven by individual Project Action Plans. The Implementation Plan sets out the budget, human resources, institutional and procedural impacts of the implementation of the EIA. Therefore, this is the integration point of all projects and programmes in the EIA Strategy.

The Action Plan lays out a hierarchy of tasks, responsible parties, realistic timetables, human resources and financial needs, funding sources, expected impacts and results, performance measures, and a progress evaluation system for each project.

5.3. PREPARE A SPECIFIC PROJECT ACTION PLAN

By preparing a standard action planning form, decision makers can more easily compare the merits of individual projects when they make tough choices. The following points are important considerations in preparing an Action Plan for each project:

- Project name and program type;
- Short description of the project;
- A hierarchy of tasks;
- Stakeholders and their expected contributions;

- Realistic timetable;
- Human and financial requirements;
- Funding sources with estimated costs;
- Impacts and expected outcomes;
- Implementation measures and progress evaluation system for each project.

5.4. DEVELOP AN INSTITUTIONAL FRAMEWORK TO IMPLEMENT AND MONITOR LOCAL ECONOMIC DEVELOPMENT

Establish and maintain both formal and informal links with all key stakeholders who can support the implementation and monitoring of EI. Building working relationships and trust between partners supports the process of managing different perspectives and agendas.

Most comprehensive, broad-based EIA strategies are implemented through public-private sector partnerships strongly promoted by city governments, including the private sector and community groups. The private sector is often interested in managing initiatives aimed at improving the vitality and viability of town centres or engaging in business development initiatives. Community groups may seek to lead initiatives aimed at improving the health or housing conditions of a target group of disadvantaged individuals.

5.5. ENSURE THE AVAILABILITY OF RESOURCES TO IMPLEMENT THE LOCAL ECONOMIC DEVELOPMENT STRATEGY

When implementing the EIA strategy, it is important to ensure that the necessary inputs are available and ready before strategy implementation begins. The implementation of EIA requires a commitment of resources, time and political support, and ensuring and sustaining such inputs will determine the effectiveness of the achievement of programmes and projects, and therefore the overall vision.

Building Political Support:

Ensuring that local political support is critical to the successful implementation of the strategy. City leaders can use their influence to initiate and build multi-level partnerships and networks to support the SDG process and make the case for resource allocation. By including political leaders from all parties in discussions on EIA strategy, a city can significantly improve the strategy's chances of success and longevity by identifying the need for a program or policy and its beneficiaries, and establish the necessary resource requirements. Building political support will also be needed with international donors, the private sector and NGOs to create internal and external motivation as well as encourage support. Building and retaining multiple partners early in the strategic planning process can help expand your base of information, contributions, and financing during the implementation phase.

Funding the Strategy:

Obtaining and sustaining sustainable, long-term funding for the EIA strategy is a significant challenge as EIA is often not a statutory responsibility of the city government. In determining and agreeing to the city budget, the PDP competes for limited resources with departments such as housing, health and education. Elected officials often have difficulty justifying the allocation of scarce resources to EIA efforts when other decisions are often seen as more important to urban development than MPI initiatives. Therefore, it is important to have political support in the municipality and community to encourage resource allocation. It is also important that the city fully understands that PDP lamps are a potential contributor to future revenue growth and recognizes the link between successful PDP, enhanced local economic activity and city budget growth.

5.6. PERFORM THE TASKS IN THE PROJECT ACTION PLAN

When delivering project action plans, it is necessary to ensure that all key partners initially identified as beneficiaries or potential contributors to the project remain available to support the project. Before starting a project, ideally project managers will be selected and responsible for each project. During the implementation of the project, continuous review should be conducted to ensure that the project is delivering on the set objectives and desired outputs. The collection of project data should be prioritized to ensure that detailed and relevant information is available for monitoring and evaluation purposes, both during and after project implementation. The use of sound management techniques such as project monitoring and evaluation can help avoid delays, thus ensuring smooth project implementation.

5.7. RESILIENCE OF LOCAL ECONOMIES IN UNCERTAIN SITUATIONS

Vietnam is a country affected by natural disasters with more than 70% of the population facing risks from many different types of natural disasters. Over the past two decades, natural disasters in Vietnam have killed more than 13,000 people and damaged property amounting to more than \$6.4 billion. According to statistics, on average, each year, natural disasters in Vietnam have killed and disappeared more than 300 people, economic losses range from 1-1.5% of GDP. Viet Nam is one of the countries most at risk in East Asia and the Pacific, for various types of natural disasters such as droughts, typhoons and floods or epidemics.

Process of carrying out post-disaster recovery and reconstruction activities

From practical experience in disaster prevention in Vietnam and the world, it is possible to generalize the process of implementing post-disaster recovery and reconstruction activities into the following main steps:



VI. FINANCIAL RESOURCES FOR LOCAL ECONOMIC DEVELOPMENT IN VIETNAM

6.1. TYPES OF CAPITAL IN LOCAL ECONOMIC DEVELOPMENT

One way to shape how to look at EIA is to look at the local economy as cold and working; There are 4 types of capital: social capital and receiving resources, financial capital, production/physical capital and natural capital.

6.2. MOBILIZING FINANCIAL RESOURCES FOR LOCAL ECONOMIC DEVELOPMENT

Local government funding

Local budgets include budgets of administrative units at all levels having People's Councils and People's Committees in accordance with the current Law on Organization of People's Councils and People's Committees, including:

- Provincial/municipal budgets include provincial-level budgets and budgets of provincial districts, districts, towns and cities.
- Budgets of districts, provincial towns and cities (collectively referred to as district budgets) include district-level budgets and budgets of communes, wards and townships.
- Budgets of communes, wards and townships (collectively referred to as commune-level

budgets)

Extra-budgetary financial sources of local government

Direct investment: Financial sources directly invested in urban development are financial sources spent by investors and involved in managing investment activities in the construction of infrastructure development works and development of urban economic sectors.

Direct investment financing sources can be from foreign investors, foreign-invested enterprises or domestic investors, domestic enterprises.

6.3. CREDIT FOR BUSINESSES

Corporate credit is a loan made by a financial institution to enterprises to meet business and production activities such as purchasing machinery and equipment, supplementing working capital or other investments. Since the borrower is a business, the loans are often very large. Depending on the purpose of use and the size that the corporate loan received from the financial institution will vary.

Enterprises do not always have enough capital to invest in assets, machinery and equipment or invest in business items, especially for small and medium enterprises, with limited economic potential, having to spend a lot on business assets. Therefore, corporate credit has many roles:

- Support to help enterprises reduce economic burden, supplement capital sources for production and business processes, invest in equipment and machinery.
- From capital support, corporate credit will promote financial growth, promoting the entire economy to develop.
- For banks/financial institutions, corporate credit is the main source of income.

When businesses borrow, they will inevitably encounter risks and difficulties, especially for small and medium enterprise credit. Therefore, businesses need to take actions to manage corporate credit risks, especially for small and medium enterprises to prevent bad cases from happening. Customers of the enterprise do not always pay and repay debts on time and in the prescribed amount, which leads to disruption of the flow of money of the enterprise. These risks are not easily addressed through loans from financial institutions or banks. Therefore, businesses need to have a reasonable financial risk management plan to limit credit risks from occurring.

6.4. CREDIT FOR LOCAL ECONOMIC DEVELOPMENT PROGRAMS

Credit contributes to promoting private economic development, promoting the formation of large-scale private enterprises, private economic groups with positions in the region, strong international brands, attracting many foreign strategic shareholders, contributing to improving national competitiveness.

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