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Provincial Green Index with Green Economic Development in Provinces and Cities in the Central Coast Region, 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. The provinces

and cities in the Central Coast region are located in the harshest weather locations in Vietnam. Besides limitations, they also have certain advantages in environmental issues. The article points out issues related to the Provincial Green Index (PGI), the current status of PGI in Provinces and Cities in the Central Coast region and offers some solutions to improve the Provincial Green Index to promote development. sustainable development in the provinces and cities of the Central Coast region in particular and in 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 problem of "Model" society. The growth pattern is still unclear, labor productivity increases mainly due to increased capital intensity, the process of restructuring economic sectors is still limited; 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..."

Sustainable development of the marine economy in the Central region has significance and a decisive role in the development of the entire country's marine economy, because this is the region where 14/28 provinces and cities border the country's sea, with coastlines. Nearly 2,000 km long, accounting for more than 55% of the country's coastline (3,260 km) ^[2]. With 14 provinces and cities bordering the sea, DHMT has many beautiful beaches, waters and islands, along with many precious natural resources and diverse ecosystems, creating favorable conditions for the development of marine economy and tourism. Transportation and has potential in developing large seaports and wind power. DHMT is also an area where many important coastal economic zones are concentrated, such as Nghi Son, Vung Ang, Chu Lai, Dung Quat, Nhon Hoi; There are many deep-water seaports, such as Chan May, Lien Chieu, Tien Sa, Ky Ha, Chu Lai, Dung Quat, Quy Nhon. The geographical location of DHMT also brings advantages for connecting Vietnam's seas and the national and international economic center ^[3]. In addition, DHMT is also an important center for large aquaculture and fishing in Vietnam...

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 in Vietnam, supporting sustainable green economic development for provinces and cities in the coastal region. China in particular and Vietnam in general.

Literature Review

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 authors

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, 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 Green Index (PGI) in Provinces and Cities in the Central Coast region of Vietnam

PGI RANKING 2022

Central Coast	PGI score	Ranked/63 provinces	Regional ranking
Danang	16.68	5	first
Ninh Thuan	15.5	18	2
Ha Tinh	15.14	23	3
Quang Nam	15.09	25	4
TT-Hue	15.09	27	5
Quang Ngai	14.6	33	6
Khanh Hoa	14.59	34	7
Nghe An	14.46	37	8
Thanh Hoa	14.41	40	9
Quang Binh	14.29	43	ten
Pacify	14.22	45	11
Quang Tri	13.49	53	twelfth
Phu Yen	13.17	58	13
Binh Thuan	12.75	sixty one	14

Source: VCCI (2023)

Fig 1: PGI scores of provinces in the Central Coast region

In the Central Coast Region, Da Nang ranked 1st with 16.68 points and ranked 5/63 provinces and cities in Vietnam (Table 1), followed by Ninh Thuan province ranked 2nd with 15, 5 points and ranked 18/63 provinces and cities in

Vietnam, ranked last in the region is Binh Thuan province with 12.75 points and ranked 61/63 provinces and cities in Vietnam.

Province/City	Provincial Green Index scores are not yet weighted	Policy 1. Minimize environmental pollution and negative impacts of climate change (for businesses)	CSTP 2. Ensure compliance with minimum environmental standards	CSTP 3. The leadership role of the provincial government in promoting Green practices	CSTP 4. Policies and services to support businesses in environmental protection
Binh Dinh	14.22	3.40	4.82	4.16	1.80
Binh Thuan	12.75	3.48	4.03	3.68	1.55
Danang	16.68	3.37	6.74	4.68	1.88
Ha Tinh	15.14	3.26	5.40	4.40	2.09
Khanh Hoa	14.59	3.72	5.39	3.92	1.53
Nghe An	14.46	3.43	6.05	3.38	1.58
Ninh Thuan	15.50	3.36	5.19	4.58	2.41
Phu Yen	13.17	3.51	4.37	3.61	1.74
Quang Binh	14.29	3.63	4.86	4.02	1.82
Quang Nam	15.09	3.45	5.23	4.08	2.32
Quang Ngai	14.60	3.20	5.16	4.12	2.16
Quang Tri	13.49	3.31	4.99	3.43	1.75
Thanh Hoa	14.41	3.50	4.83	4.44	1.59
TT-Hue	15.09	3.69	5.28	4.24	1.97

Source: VCCI (2023)

Fig 2: PGI component scores of provinces and cities in the Central Coast region

Regarding PGI component scores of provinces and cities in the region: The highest index for reducing environmental pollution and negative impacts of climate change (for businesses) is Khanh Hoa province with 3.72 points, followed by TT-Hue province with 3.69 points and the lowest in the region is Quang Ngai province with 3.2 points. The highest index of Ensuring compliance with minimum environmental standards is Da Nang City with 6.74 points, followed by Nghe An province with 6.05 points and the lowest is Binh Thuan province with 4.03 points. The index of the leadership role of the provincial government in promoting Green practices is highest in Da Nang City with 4.68 points, followed by Ninh Thuan province with 4.58

points and the lowest is Nghe An province with 3 points.,38 points. The highest index of policies and services to support businesses in environmental protection is Ninh Thuan province with 2.41 points, followed by Quang Nam province with 2.32 points and the lowest is Khanh Hoa province with 1. 53 points.

The Central Coast provinces have made many efforts in environmental activities, initially achieving certain results. However, besides that strong development, the province still has shortcomings such as: The transportation and treatment of household solid waste and plastic waste is still outdated and overloaded; many spontaneous landfills cause environmental pollution. Technical infrastructure for waste

collection, management and treatment is lacking, and implementation of projects and waste treatment plants is slow. The work of renovating and restoring the environment and treating environmental pollution for establishments with serious environmental pollution has not been thoroughly handled. Inspection, testing, control and pollution treatment are not timely and the level of deterrence is not high. Environmental infrastructure planning is not synchronized, especially in city and urban areas. The negative environmental impacts caused by businesses are increasingly complex and have not been completely overcome. The authorities of the Central Coast provinces promptly issued many documents, resolutions, and instructions on the environment, thereby increasing the awareness and awareness of people and businesses about environmental protection. Forward. The quality of people's living environment has been improved, the industrial park wastewater collection and treatment system... has received attention and investment in construction. The province also encourages and selects investors and types of production with advanced and environmentally friendly technology. The fact that the PGI Index of the Central Coast provinces was announced for the first time, ranking the average over 63 provinces and cities nationwide, although it is not high, it partly clearly reflects efforts to improve the environment. Business environment, quality of environmental management of Party Committees and local governments.

Solutions

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

On the part of state management agencies

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

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.

Third, 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

The 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, thereby voicing their opinions on overcoming difficulties in production and business activities.

The 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.

The 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, Digital Transformation: In current conditions, when the Fourth Industrial Revolution is developing strongly, businesses need to approach and apply its achievements into practice, innovate technology, apply new, environmentally friendly business models 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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