



PROJECT "STIMULATING THE DEMAND AND SUPPLY OF SUSTAINABLE PRODUCTS THROUGH SUSTAINABLE PUBLIC PROCUREMENT AND ECOLABELLING" (SPPEL)

SWOT ANALYSIS OF VIETNAM GREEN LABEL PROGRAM REPORT



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I. Introduction on assigned task

The assignment "Develop a report from the SWOT analysis of the ecolabelling scheme with input from the GEN on how to improve the existing program" is one of the activities of the project "Stimulating the demand and supply of sustainable products through sustainable public procurement and ecolabelling" (SPPEL).

The objectives of the SPPEL project component in Vietnam are to support the competent authorities in terms of capacity building and technical support to develop policies for sustainable public procurement and eco-labelling; support the implementation of policies on sustainable public procurement and eco-labelling in order to achieve maximum efficiency of the use of two tools, and create an exchange forum between scientists, management agencies, the private sector in policy formulation to ensure mainstreaming of sustainable public procurement and eco-labels in the decision-making process. Results of the SPPEL project in Vietnam include supporting tools; arrangements for the integration and application of tools for sustainable public procurement and eco-labels in the process of decision-making; an assessment report on the current status of the implementation of public procurement; the development of priority action groups on sustainable public procurement and eco-labels, and prioritization of activities on sustainable public procurement and eco-labels and their integration in the National Action Plan on sustainable production and consumption.

The Vietnam Green Label Program (VGLP) has been deployed nationwide since March 2009 in order to improve and maintain quality of environment by using and minimizing materials and energy consumption as well as wastes generated in the manufacturing process, trading and consumption of products and services. After five years of implementation, the VGLP has been promoted, contributing to awareness raising of enterprises and the community towards sustainable production and consumption. Besides, the companies whose products have been certified with the Vietnam Green Label have indicated increased awareness of their corporate social responsibility and good reputation in the market. After participating in the VGLP, these companies have thoroughly complied with regulations of environmental protection and labor. They also have developed and implemented the communication and education programs on environmental protection for their consumers. For example, the Dien Quang Lamp Joint Stock Company, one of four companies joining the VGLP, has implemented a number of environmental protection activities such as adoption of the Standard of Business Conduct; undertaking innovations in changing materials into more environmentally friendly materials by replacing liquid mercury by amalgam (reducing the total amount of mercury used), and reusing phosphor powder used in fluorescent lamps and electronic ballast; guiding the consumers in energy savings. However, the number of products certified by the Vietnam Green Label is quite limited. Currently, there are only 14 active criteria for 14 product groups, and 53 products from 4 companies have been granted the Vietnam Green Label (See details in Annex 2 and Annex *3).* Therefore, a review and evaluation of the implementation of the VGLP is urgently needed in order to propose solutions to improve the efficiency and development of the VGLP, and to achieve one of the goals of the SPPEL project in Vietnam.

The main objectives of the assignment "Develop a report from the SWOT analysis of the ecolabelling scheme with input from the GEN on how to improve the existing program" can be listed as follows:

- To re-evaluate the existing Vietnam ecolabelling program Vietnam Green Label Program to understand current strengths, weaknesses, opportunities and threats based on the 5 years of implementation.
- To study ecolabelling programs of other GEN members to make recommendations on how to integrate lessons learnt and best practices, and to propose an action plan to improve the VGLP in the future.
- To contribute to the integration of Vietnam Green Label into Sustainable Public Procurement (SPP) in Vietnam.

To achieve the objectives mentioned above, one national consultant is assigned to undertake the following activities:

- Identify and analyse the strengths, weaknesses, opportunities and threats of the VGLP based on criteria selected through consultation with relevant stakeholders, evaluating the implementation of the Vietnam Green Label in the past five years.
- Study ecolabelling programs of other GEN members to propose an action plan to improve the VGLP.

II. Methodology

To achieve the objectives, results and outputs as required in the terms of reference (ToR), the following methods have been used to undertake the assignment:

- Literature review: The introduction and the assessment of the current status of the VGLP of this report have been developed by analysing existing documents; including legal documents (strategies, policies, laws, decrees, decisions, etc.), reports and information from official websites relating to ecolabelling, environmental protection and sustainable development.
- SWOT analysis: The method of SWOT analysis is to take the information from analysis/surveys and classify it into internal (strengths and weaknesses) and external

issues (opportunities and threats). Using the SWOT analysis helps to identify factors that may assist the VGLP in accomplishing its objectives and the obstacles that may need to be overcome or minimize to achieve the desired results.

The SWOT analysis is undertaken by carrying out consultations (mainly by indepth interviews) with specific stakeholder groups (*See details in Annex 1*) to assist the identification and assessment of SWOT aspects of the VGLP, and then propose appropriate solutions. All feedback and recommendations from the consultation are compiled in this report.

- Review and analysis of the ecolabelling schemes of Global Ecolabelling Network (GEN) members to extract their success stories and best practices on the promotion of ecolabels and green public procurement, and thereby provide recommendations for improving the VGLP and for integrating the Vietnam Green Label into public procurement. The ecolabelling schemes studied include:
 - EcoLogo of Canada
 - Blue Angel of German
 - Korea Eco-label Program of South Korea
 - EcoMark of Japan

All the programs mentioned above have been successfully implemented and operated by various models, from private companies to governmental agencies. To illustrate, the Canada's EcoLogo has been operated by the private organisation - Terra Choice under the supervision of the Canadian Department of Environmental Affairs; while the Blue Angel of Germany and the Korea Eco-Label Program have operated by the governmental agencies (Germany Federal Environment Agency and Korea Environmental Industry & Technology Institute respectively). On the other hand, the EcoMark of Japan is established and managed by the Japan Environment Association (JEA) – a non-governmental organisation. Furthermore, the VGLP was developed with the support of the Canada's EcoLogo; the Blue Angel of Germany and the Korea Eco-Label Program.

III. Outcomes

1. Overview of the Vietnam Green Label Program

1.1. History of the Vietnam Green Label Program

After the Environmental Protection Law of Vietnam was first issued in 1993, the state management of environmental protection agencies began focusing their attention

on eco-labelling from the late 90s. After the promulgation of the revised Environmental Protection Law in 2005 that included several provisions on the development of environmentally friendly products, eco-labels where comprehensively studied to assess the opportunities for developing an eco-labelling program in the context of Vietnam.

As a result, an eco-labelling program known as the Vietnam Green Label Program (VGLP) was officially established according to the Decision 253/QD-BTNMT of the Minister of Natural Resources Environment dated March 5th 2009. The VGLP was officially implemented under the management of the Ministry of Natural Resources and Environment, and the administration of the Vietnam Environment Administration (VEA). The VGLP was conceived in 2006 based on the studies of eco-labels, friendly environmental products and lessons learnt in the development of Germany's Blue Angel label and Australian Good Environmental Choice label.

The VGLP is managed in accordance with the standard ISO 14024 (Type I environmental labelling - Principles and procedures) of the International Organization of Standardization (ISO). The objectives of the VGLP are to improve and maintain the quality of the environment by minimizing materials and energy consumption, as well as wastes generated in the manufacturing process, trading and consumption of products and services. To achieve effectiveness of environmental protection activities, the VGLP evaluates the ability to control and limit the environmental impacts of each type of products and services based on "Comprehensive review of the product lifecycle". Accordingly, for each type of product group, the environmental benefits will be assessed for the whole lifecycle, from the stages of raw materials extraction, production, trading, and consumption to the stage of disposal.

Until 2014, the VGLP has developed and published criteria for 14 product groups, including: paper office, batteries, architectural coating products, printers, laptops, ceramic building materials, hair care products, solid soap, powder laundry detergent, hand dishwashing detergents, biodegradable plastic shopping bag, synthetic paper food packaging, fluorescent lamp and toner cartridge. Up to date, 53 products from 04 companies have been granted the Vietnam Green Label (See details in Annex 2 and Annex 3). The VGLP has not yet signed any MRA (Mutual Recognition Agreement) with other ecolabelling schemes.

1.2. The main objectives of the Vietnam Green Label Program:

The overall objectives:

a) To enhance the sustainable use of natural resources and environmental protection through promoting production and consumption of environmentally friendly products, which are assessed and certified by the Government;

b) To develop the "Vietnam Green Label" to become a strong and reputable brand in the system of certification in Vietnam, and widely recognized in the region and over the world.

Specific objectives:

- a) To encourage enterprises to design products and operate towards reducing harmful impacts to natural resources and the environment during the phases of mining of raw materials, production, packaging, transportation, consumption and disposal of the product;
- b) To establish a sustainable market for environmentally friendly products and services through incentives for manufacturers, exporters, importers and consumers;
- c) To encourage the Vietnamese industry to export products to markets in the world with a commitment to the implementation of environmental regulations to meet product standards according to ISO 14024;
- d) To provide clear, reliable and timely information, instruction, and guidance for enterprises which are looking for ways to reduce the environmental impacts of production and trading;
- e) To provide clear, reliable and independent information, instruction and guidance for consumers about environmentally friendly products and support consumers make purchase decisions;
- f) To raise social awareness about friendly environment product consumption and service through media campaigns;
- g) To develop the Vietnam Green Label Program with strict eligibility criteria, effective organization, serious inspection and monitoring, and sustainable financial resources for operations;
- h) To select the appropriate product groups and services to participate in the program;
- i) To strengthen cooperation with eco-labelling networks in the region and in the world and to establish mutual recognition agreements with eco-labelling systems of countries and other international organizations.

${f 1.3.}$ The governance and operational structure of the Vietnam Green Label Program

The VGLP was established and owned by the Ministry of Natural Resources and Environment (MONRE). Accordingly, the MONRE shall take responsibility for approving the Development Plan for VGLP and promulgating Vietnam Green Label criteria. The

Vietnam Environment Administration (VEA) is the Executive agency of the VGLP and is responsible for granting Vietnam Green Label certification and monitoring the use of the label.

On the other hand, Vietnam Green Label Program Consulting Council (VGLPCC) was established to advise and assist the Minister of Natural Resources and Environment in identifying the list of new products and services and, in reviewing and assessing the Draft Vietnam Green Label criteria. The establishment and functions of the VGLPCC are stipulated in the Minister's Decision 2604/QD-BTNMT dated December 23, 2013 (replacing the former Decision 1492/QD-BTNMT dated August 13, 2010 with the changes in the composition of VGLPCC). Accordingly, the VGLPCC issued the Decision 1564/QD-HDNX dated December 23, 2013 on the list of members of the VGLPCC and the Decision 1565/QD-HDNX dated December 23, 2013 on working regulations of VGLPCC. The members of the VGLPCC have been selected as the representatives of the ecolabelling matters related agencies such as Ministry of Industry and Trade, Ministry of Construction, Ministry of Science and Technology, Ministry of Agriculture and Rural Development, Ministry of Health, Vietnam Standards and Consumers Association and other relevant environmental and social associations.

In addition, the Vietnam Environment Administration (VEA) established the Technical Committee (TC). The Technical Committee is responsible for investigating market demand; developing draft Vietnam Green Label criteria for new product groups; and assessing the technical aspects of the application for the Vietnam Green Label certification.

VEA also established the standing Vietnam Green Label Office which is the coordinator of the VGLP. The functions, duties and structure of the Vietnam Green Label Office is stipulated in the VEA's Decision 1566/QD – TCMT dated December 23, 2013. The functions and duties of the Vietnam Green Label Office are:

- To develop and implement the communication programs and the databases on the VGLP;
- To receive recommendations and proposals from consumers, enterprises and other governmental and non – governmental organizations on the listing of product groups and services for inclusion in the VGLP;
- To organize consultations with appropriate stakeholders on the Draft Vietnam Green Label criteria;
- To receive the dossier on registration for Vietnam Green Label certification and notify the applicant of the result;
- To organize the VGLPCC's meetings under the direction of Chairman of the Council;
- To be a focal point of international cooperation with other eco-labelling schemes and with the Global Ecolabelling Network (GEN); participating in the annual

meetings of GEN and being in charge of other eco-label related international cooperation;

- To organize and coordinate with related units to supervise and inspect the use of the Vietnam Green Label;
 - To propose and develop projects and tasks for implementation of the VGLP;
- To propose the annual operating budget of the VGLPCC for approval by the Director General of VEA;
 - To nominate the Chairman of the VGLPCC.

1.4. Development of Vietnam Green Label criteria

The demand for new Vietnam Green Label criteria can be proposed to the Vietnam Green Label Office by governmental agencies, NGOs, companies, etc. Accordingly, the VEA establishes the Vietnam Green Label Technical Committee to undertake research on international experience in development of such new proposed criteria and carry out market surveys on these proposed product groups in Vietnam. The proposed list of new products and services is then presented to the VGLPCC for discussion. At the annual meeting¹ of the VGLPCC, the VGLPCC approves the List and the Development Plan for new product groups and services, which is then submitted to the Minister of Natural Resources and Environment (MONRE) for approval. After reviewing the proposal of the VGLPCC, the MONRE issues a Decision on the Development Plan for new product groups and services.

Based on the List of approved products, the Technical Committee elaborates the Draft Vietnam Green Label criteria, for each product category. The Draft Vietnam Green Label criteria are then circulated for consultation to relevant stakeholders and different beneficiary groups. After collecting sufficient feedback and suggestions, the VGLPCC in cooperation with the Vietnam Green Label Office revise the Draft criteria. The VGLPCC adopts the Draft criteria based on voting and then submits the Draft criteria to the Minister of MONRE for approval. The Vietnam Green Label criteria are issued in form of the Decision of Minister of MONRE.

Vietnam Green Label criteria shall comprise the following contents:

- Compliance with laws on environmental protection and labor.
- Impact of the whole lifecycle of a product (from the process of exploiting materials, production, distribution, use and after being disposed) shall cause less pollution to the environment in comparison to other products of the same type.

¹The Vietnam Green Label Program Consulting Council meeting is normally once a year, but can also betwince a year if there are many proposed criteria or other activities that need to be discussed.

• Development of new Vietnam Green Label criteria shall be included in the plan announced by the MONRE.

Currently, the development of the Vietnam Green Label criteria only focuses on main criteria related to the rate of re-use of waste, the reduction rate of hazardous waste, pollution reduction, energy savings and the ability to create high rate of reuse/recycling. The Vietnam Green Label Office is responsible for compiling the comments from the private sector on to which extent enterprises are able to satisfy the Vietnam Green Label criteria. All these comments are circulated to the VGLPCC for adjustment if necessary. Every three years, VEA periodically reviews the adequacy of the existing criteria and proposes the MONRE to revise the criteria if necessary.

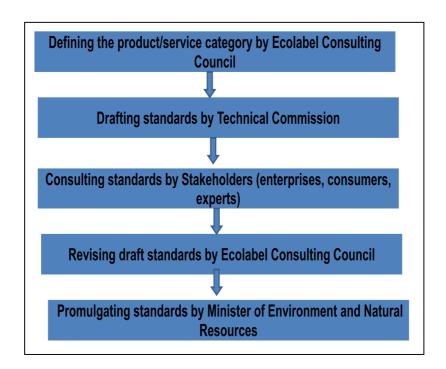


Figure 1. VGLP Product Criteria development process

1.5 Procedures of Vietnam Green Label certification

The procedure of Vietnam Green Label certification is stipulated in the Circular 41/2013/TT-BTNMT of the Minister of Natural Resources and Environment dated December 2, 2013. The main steps can be summarized as follows:

Step 1: The dossier on registration for Vietnam Green Label certification shall be sent to the Vietnam Green Label Office under the VEA.

Step 2: Within five (05) working days since the date of receiving a dossier of registration, the Vietnam Green Label Office shall be responsible for evaluating its completion and validity.

A dossier for registration of Vietnam Green Label shall comprise:

- A (01) request form for certification of Vietnam Green Label;
- A (01) original copy of the Report on environmental protection activities of the enterprise; or a (01) certified-true copy of a valid certificate of conformity with the national standard of TCVN ISO 14001 issued by a competent certification organization; or a (01) certified-true copy of a certificate of conformity with the international standard of SO 14001:2004 issued by a certification organization which is a member of the International Forum of Accreditation (IFA), the Pacific Accreditation Cooperation (PAC) or a similar standard;
- An (01) original copy of a Report on assessment of products, data sheets and test results to prove compliance with the Vietnam Green Label criteria. The validity of test results does not exceed six (06) months since the date of receiving a valid and complete dossier of registration by the Vietnam Environment Administration;
 - A (01) certified-true copy of the certificate of trademark;
- A (01) photocopy or drawing of the industrial design of products having dimension of 21 cm x 29 cm.

In case the dossier is not complete or invalid, the Vietnam Green Label Office shall issue a written request for amendment, supplement and completion of the dossier.

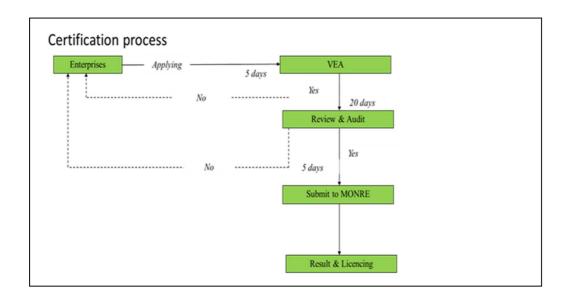
Step 3: Within twenty (20) working days since the date of accepting the dossier in term of completion and validity, the VEA with the assistance of the Technical Committee shall be responsible for assessing the dossier. Depending on the product group, the Report on assessment of products, data sheets and test results are evaluated to identify whether or not the product meet the requirements of the Vietnam Green Label criteria. During the evaluation process, the VEA may carry out an on-site visit to the applicant's facilities. Besides, the VEA may ask the applicant for any additional and amended documentation required in order to comply with the Vietnam Green Label criteria.

Step 4: When all requirements have been met, within five (05) working days since the day of having a final result of the assessment, the Director General of VEA shall be responsible for signing the Decision on certification of Vietnam Green Label. The Decision on certification of Vietnam Green Label shall be notified to the enterprise right after signing.

Step 5: In case of an unsatisfied testing result, within three (03) working days since the date of testing result, the VEA shall be responsible for sending a written notice to the enterprise and stating reasons for not being satisfied.

The Decision on certification of Vietnam Green Label shall valid for three (03) years since the date of issuance.

Figure 2. Vietnam Green Label certification process



1.6 Cost for Vietnam Green Label certification

Testing budget of a product's sample and budget for preparing a dossier for registration on certification of Vietnam Green Label shall be paid by the enterprise based on a service contract signed with the testing organization. The testing organization has to satisfy the following requirements:

- The testing organization registers its operations according to Circular No.08/2009/TT-BKHCN dated April 08, 2009 of the Minister of Science and Technology, guiding procedures for registration for operation of conformity assessment bodies and Circular No. 10/2011/TT-BKHCN dated June 30, 2011 of the Ministry of Science and Technology amending, and supplementing a number of provisions of Circular No. 08/2009/TT-BKHCN of the Minister of Science and Technology.
- Foreign testing organizations recognized according to the ISO/IEC 17025 international standard which were accredited by organizations which are contracting parties to the mutual recognition agreement of ILAC (the International Laboratory Accreditation Cooperation) or APLAC (The Asia Pacific Laboratory Accreditation Cooperation).

Currently, the Vietnamese Government is responsible for allocating the budget for the assessment of the dossiers for registration on certification of Vietnam Green Label and inspection on the use of Vietnam Green Label. There is no application fee, evaluation fee or licence fee for the enterprises participating in the Vietnam Green Label certification.

2. SWOT analysis of Vietnam Green Label Program

2.1. Assessment of the strengths of Vietnam Green Label Program

Some strengths of the VGLP have been identified and discussed as follows:

- Strong commitments of the Government and concrete legal basis
- High competitive advantage

2.1.1. Strong commitments of the Government and concrete legal basis

The essential legal basis for the VGLP has been set up since the launch of the Program in 2009. In comparison with other countries in the world, the development and promulgation of legal documents to implement eco-label programs in Vietnam it took place rapidly. The reason can be partly seen that in the adoption of eco-labelling programs, Vietnam has lagged behind the developed countries and developing countries in the region for 30 - 40 years and about 15 - 20 years respectively. As a result, Vietnam was able to apply a range of lessons learned and best practices from these countries that led the way and was able to avoid common mistakes. For example, according to the suggestions of the Canada's EcoLogo and the Korea Eco-Label Program, in the beginning, the Vietnam Green Label criteria should not be strict and should be developed based on the context of Vietnam so that these criteria can be applied in the practice. After every three years, the Vietnam Green Label criteria can be revised to gradually become stricter. In addition, it should get the consultation on criteria development from the specific consultants rather than too many stakeholders to avoid long periods of consultation.

In regard to legislation, registration of environmentally friendly products is one of the environmental protection activities which are encouraged by the Vietnamese Government according to the Clause 5, Article 6 of the Law on Environmental Protection 2014 (...5. Encourage an application for registration as eco-friendly establishments and products; manufacture, trade and consume eco-friendly products....). Moreover, the Article 44 of the Law on Environmental Protection 2014 also promulgates environmentally friendly products certified with eco-label:

"...Article 44. Eco-friendly production and consumption

- 1. Agencies, organizations, family households or individuals shall be responsible to manufacture and consume eco-friendly products and services.
- 2. The Head of state budget-funded institutions shall bear their responsibility for preferring eco-friendly products and services that have been recognized as ecolabels under legal regulations.
- 3. The Ministry of Natural Resources and Environment shall direct and cooperate with communications agencies in performing the advertisement and promotion activities for such eco-friendly products and services..."

Prior to the Law on Environmental Protection of 2014, there was no provision for the development of environmentally friendly products in the Law on Environmental Protection of 1993. In spite of the fact that the Law on Environmental Protection of 2005 prescribed the development of environmentally friendly products, it did not prescribe the eco-label certification. The Law on Environmental Protection of 2014 has witnessed a positive change in legalization of eco-labelling as well as of sustainable, environmentally friendly production and consumption.

On the other hand, ecolabels have also been stipulated in other regulations. According to the Circular No. 19/2009/TT-BKHCN dated June 30, 2009 by the Minister of Science and Technology defining measures for products and goods' quality before entering the market, eco-label is defined in Clause 3, Article 2: "Eco - label (also known as green label, environmental label) is the labelling of products and services to provide information to consumers about the environmental friendliness in comparison with products and services of the same type. Eco-labels are typically divided into three categories: a) Type I is the label certified for manufacturing enterprises' products; b) Type II is the self-proclaimed label, produced by enterprises, importers and distributors based on the results of self-evaluation or third parties' assessment; c) Type III is voluntary label of manufacturing enterprises and suppliers under the voluntary program of economics and economic institutions". This regulation also indicates that "...the enterprises shall register for eco-labelling for their products and goods and ensure the reliability of their eco-labelling certification..." (Clause 7, Article 4).

In terms of policy on eco-labelling programs, in September 25, 2012, the Prime Minister approved the National Strategy for Green Growth for the period 2011-2020, with a vision towards 2050 under the Prime Minister's Decision No. 1393/QD-TTg. To accomplish its goals, the National Strategy identifies three fundamental tasks:

- 1) reducing the intensity of greenhouse gas emissions, promoting the use of clean energy and renewable energy;
 - 2) greening the production; and
 - 3) greening the lifestyles and promoting sustainable consumption.

Of the 17 measures to implement these goals, there is the 13th measure: "To promote eco-labelling and dissemination of information on environmentally friendly products to society and to build a roadmap to 2020 for implementation of green public procurement".

Consequently, eco-labelling for environmentally friendly products is not only encouraged in research as before, but also now has been stipulated in the legal system in Vietnam. There is currently a solid legal foundation (prescribed by laws) so that the VGLP can be deployed across the country, in accordance with the provisions of the laws of Vietnam.

The VGLP aims to achieve, as a main objective, the reduction of environmental impacts through two market mechanisms. Firstly, VGLP encourages consumers to buy products with less environmental impacts and thus to increase the market share of relevant alternative products replacing products that are more harmful to the environment. Secondly, VGLP encourages manufacturers to redesign to reduce the environmental impacts of their products. Accordingly, the market share of "green" products is enhanced by the eco-labelling program due to encouragement of competition that can afford to re-structure their products. Consistent with this second mechanism, an essential feature of most of the eco-labelling programs is the commitment to regularly review and, if necessary, promote high product standards to constantly encourage the licensing of businesses that are continuously developing and improving their production processes.

VGLP is owned and managed by the Vietnamese Government, which has been a significant advantage, as sustainability certification from the private sector has not yet gained the trust of consumers in Vietnam. Before the establishment of VGLP, VEA investigated the level of consumer confidence on the ecolabelling programs. The results showed that over 70% of respondents trust eco-labels certified by state agencies rather than by private organizations or non-governmental organizations. Besides, 80% of respondents have absolutely no confidence in the self-proclaimed "green products" of enterprises.

With the sponsorship of the Government, VGLP developed rapidly in the first three years in which the program was established; a number of criteria were developed; and applications from enterprises for VGLP were encouraged. The pilot phase of certification of the Vietnam Green Label for some types of products and services was implemented since the initial period of adaptation of VGLP (from 2010 until 2013), including the following activities:

- Selection of pilot product types and service groups;
- Research and identification of key environmental issues and the ability to minimize the environmental impacts of the selected products and services; assessment of the market situation;
- Assessment of the benefits to the community for the selected product types and services;
 - Identification of selected criteria and enterprises involved in the pilot VGLP;
- Development of guidelines and procedures for certification of Vietnam Green Label and application of specific enterprises;
- Development of procedures on records and forms for certification with the Vietnam Green Label;

- Development of criteria for selected products and services in consultation with relevant enterprises and organizations;
- Establishment of criteria and conditions for competency of testing facilities and laboratories qualified to assess environmental criteria for products and services under VGLP;
- Assessment, certification and issuance of "Vietnam Green Label" for selected products or services; wide promotion and dissemination on mass media about the products and services certified with "Vietnam Green Label";
 - Evaluation of effectiveness and challenges of pilot VGLP;
- Announcement of the results of the pilot VGLP to propose revision for implementation of VGLP in the future.

The pilot phase of the VGLP was an important basis for the development and promulgation of regulations and procedures for certification of environmental friendly products and to improve the implementation of the Program.

In conclusion, VGLP has established and maintained a typical type 1 ecolabelling program apparatus. Although the relevant regulations are mainly based on available legal provisions on production and trading activities, product quality, product advertising and environmental protection; there has been current strong commitment from the Government and a solid legal background for the implementation of VGLP.

2.1.2 High competitive advantage of Vietnam Green Label Program

Currently, there are three eco-labelling programs in Vietnam, including Vietnam Green Label, Green Lotus Label and Energy Label, which are initiatives of the Ministry of Natural Resources and Environment, the Ministry of Culture, Sport and Tourism and the Ministry of Industry and Trade respectively. The three eco-labelling programs have been operated at a national level with the engagement of various ministries, private sector, institutes, etc. While the Vietnam Green Label is a type 1 ecolabel, the Green Lotus is the accredited eco – certification program for the hotel and accommodation sector and the Energy Label is an environmental certification program in the energy sector.

An introduction and comparison between the VGLP and the other two national eco-labelling programs are briefly presented as follows.

a. Green Lotus Label

In 2012, the Vietnam Ministry of Culture, Sports and Tourism launched a certification label for sustainable tourism (called the label "Green Lotus"). This program was assigned to the General Department of Tourism under the Vietnam Ministry of Culture, Sports and Tourism.

Green Lotus Sustainable Tourism Label (herein after referred to as Green Lotus Label) is the label which is granted to tourist accommodation establishments that meet environmental protection and sustainable development requirements. Tourist accommodation that has been granted the Green Lotus Label are the ones which have made an effort in protecting the environment, using resources and energy effectively, helping to protect the heritage and developing the local economy, culture, society and sustainable tourism.

The Green Lotus Label has 5 levels, from 1 Green Lotus to 5 Green Lotuses. The number of Green Lotus acknowledges the level of environmental protection and sustainable development of the tourism accommodation establishment, not dependent on the type or classification of the establishment that has been recognized.

The criteria of the Green Lotus Label consists of 81 criteria with a total of 154points and 25 bonus points and are divided into 3 levels:

• Standard level: 30 criteria.

• Superior level: 29 criteria

• Premium level: 22 criteria

Criteria at standard level are necessary ones, easily implemented and mainly for internal management purposes. The superior and premium-level criteria are more demanding and difficult, requiring more investment with a view to encouraging tourist accommodation establishments to keep innovating and accelerating to higher levels. The bonus criteria with a total of 25 points shall be applied for tourism accommodation establishments which have achieved the certificate of Green Building – Lotus (15 points) issued by Vietnam Green Building Council or the certificate of ISO 14001 certifying that international standards on environmental management system have been met (10 points).

The criteria of the Green Lotus Label shall be categorized under 4 main groups: A; B; C and D.

- Group A/Sustainable management
- Group B/Maximization of socio-economic benefits for local communities
- Group C/Elimination of negative impacts on cultural and natural heritages
- Group D/Elimination of negative impacts on the environment

Scoring principle:

• Each basic -level criterion: 1 point.

• Each superior-level criterion: 2 points.

• Each premium-level criterion: 3 points and above.

Table 1. Scores and criteria to be granted with Green Lotus Label:

Label	1-Green	2-Green	3-Green	4-Green	5-Green
ranking	Lotus	Lotus	Lotus level	Lotus	Lotus level
	level	level		level	
	62-80	81-100	101-122	123-143	144-154
Range of					
score					
	30	30	30	30	30
Standard-					
level criteria					
	Above 9	Above 14	Above 18	Above 23	Above 26
Superior-level					
criteria					
	Above 3	Above 6	Above 10	Above 14	Above 19
Premium-					
level criteria					

There are over 30 hotels granted certification for Sustainable Tourism Green Lotus Label from level 1 to level 5, mainly concentrated in Ho Chi Minh City, Hanoi, Hue, Quang Nam, Da Nang, KhanhHoa, BinhThuan, Vung Tau, Bac Ninh. However, there is no tourist accommodation establishment certified Sustainable Tourism Green Lotus Label in the region of Mekong Delta.

At present, the Green Lotus Label Program is still in the pilot stage of implementation. Thus, in comparison with Green Lotus Label Program, Vietnam Green Label Program is applied to more products and services and has official implementation all over the country.

b. Energy Label

Energy-saving labels have been effectively deployed in many countries to promote the market for medium and high performance energy efficient equipment. In Vietnam, this activity has been initiated since 2006 on a voluntary basis, but became mandatory in 2013 under the Law on Energy efficiency and saving from 2010, the

Decision 51/2011/QD-TTg of the Prime Minister on the list of devices and equipment subject to energy labelling and Decision 03/2013/QD-TTg of the Prime Minister amending and supplementing a number of articles of the Prime Minister's Decision 51/2011/QD-TTg. Energy-saving labels do not assess the product lifecycle, they only consider one environmental aspect of the product, namely reduction of energy consumption and CO₂ emissions.

Energy-saving labels are managed by the Ministry of Industry and Trading and assigned to the General Department of Energy. The energy saving labels is classified into two types: confirmative energy label and comparative energy label.

Confirmative energy label is the label showing the energy saving symbol (also known as Viet Energy Star) affixed to equipment sold in the market, as this equipment has met the level of energy efficiency or exceeded the high energy performance (HEP) prescribed by the Ministry of Industry and Trade for each period.

Comparative energy label is affixed to equipment circulating in the market which have different energy performance levels, corresponding to five levels of energy performance (one star to five stars; five-star label shows the best energy performance), to provide consumers with information on the energy performance of equipment compared to other equipment of the same type in the market, helping consumers choose equipment with lower energy consumption.

The implementation of energy labelling will create pressure on manufacturers to produce and bring into the market high performance products; force businesses and importers to offer products satisfying or exceeding prescribed energy efficiency standards, and provide information on the label in order to help consumers choose energy saving or energy efficient products which are available on the market. Using millions of high-performance energy products will lead to high energy savings, contributing to the whole society's economy and to improve the environment.

The Vietnam Energy Label Program is compulsory so relevant ministries and branches, from central to local levels, have been actively involved in the inspection of manufacturing and import of products, and in the monitoring of products certified with Vietnam Energy Label in the market, particularly the General Department of Vietnam Customs, Ministry of Finance, Ministry of Science and Technology, market surveillance agencies in the provincial departments of industry and trade...). Furthermore, the Vietnam Energy Label Program has also attracted a number of producers and businessman of energy equipment to apply for the Vietnam Energy Label certification.

The Vietnam Energy Label Program only focuses on energy-saving aspects. Meanwhile, Vietnam Green Label Program focuses on the entire product

lifecycle. Vietnam Green Label Program is consistent with the viewpoint that all products that use energy are required to prove the superiority of saving energy in the use phase.

The procedures of three Programs mentioned above have to be in accordance with the Decree No 63/2010/ND-CP on monitor of administrative procedures. Only the Green Lotus Label Program and the VGLP have the requirement for conducting an onsite visit to the applicant's facilities to verify the documents. On the other hand, the VGLP and the Vietnam Energy Label Program require the applicant to submit the testing results issued by the eligible testing organisations while there is no similar requirement for the Green Lotus Label Program.

In conclusion, in comparison with the Green Lotus Label and Energy Label, the Vietnam Green Label has been widely recognized and promulgated in the legal system. Additionally, the organizational structure of the VGLP has been more strongly consolidated than the other two programs. In fact, the Green Lotus Label Program was developed based on studying the implementation of VGLP.

2.2. Assessment of weakness of Vietnam Green Label Program

When it comes to weakness or disadvantages of the VGLP, it presents the following aspects, mainly related to awareness and finance:

- Low awareness and interests of consumers, political and social organisations
- Low enterprise's interest in registration for certification
- Unstable finance
- Technical issues

2.2.1 Low awareness and interests of consumers and political and social organisations

The VGLP had only particularly attracted the interest and attention of political - social organisations in the first few years after its introduction. Some political – social organisations, such as Vietnam Women's Union, Vietnam Farmer's Union, Ho Chi Minh Communist Youth Union...organised a range of communication campaigns on environmentally friendly products.

The level of interest and attention of the political and social organizations for ecolabelling schemes is one of the indicators to assess the degree of success and effectiveness of the schemes. However, to attract their attention, the eco-labelling schemes need to have an appropriate and effective strategy and promotion and communication campaigns.

On the other hand, the VGLP has not attracted the attention of consumers, causing lack of enterprises' interest in investing in products that can satisfy the requirements of the Vietnam Green Label criteria. In Vietnam, the fact shows that most consumers normally give highest priority to the price of product as well they pay much more attention to health impacts of the product rather than the environmental impacts. In other words, for Vietnamese consumers, the use of products must assure a certain quality and safety for their own health, reduction of disease risks due to use of products containing less harmful substances, thereby reducing the cost of medical treatment. This requires the communication campaigns for general consumers to focus on the dissemination of health - related Vietnam Green Label criteria rather than environment related criteria.

Eco-label schemes generally tend to use the preference of consumers for certified products and businesses in order to put pressure on the manufacturers to pay more attention to environmental protection. In other words, the enthusiastic participation of consumers plays an active role in creating demand and the market for eco-labelling schemes. To get the enthusiastic participation of consumers, marketing strategies of the eco-labelling schemes also play crucial role.

In fact, the communication and dissemination of VGLP has not been thoroughly implemented. Since the launch of the VGLP in 2009, there has not been any extensive media and promotion campaignof the Program. Most Vietnamese consumers do not recognize the Vietnam Green Label as well as products certified with Vietnam Green Label.

2.2.2 Low enterprises's interests in registration for certification

In the beginning, the VGLP did not attract the attention of manufacturers. During the implementation of the Program in five years from 2009 to 2014, there were only four companies applying for the Vietnam Green Label certification (Procter & Gamble. Co; DienQuang Lamp Joint Stock Company; Jotun Paint Vietnam Co, Ltd; Fuji Xerox Asia Pacific Pte Ltd. Office). Besides, a majority of enterprises, particularly the SMEs, do not know about the VGLP. In most cases, the enterprises contact to the VGLP was mainly through the website of VEA, but in some cases, they did not fully understand how to apply for the Vietnam Green Label certification.

There are a number of possible explanations for this matter, including ambiguous benefits of the VGLP for private sector, higher cost of production to achieve the compliance with Vietnam Green Label criteria, lack of available Vietnam Green Label criteria for certain products groups and services. On the other hand, the VGLP is not mandatory, so it can be seen as difficult to attract the attention and participation of the manufacturers, since the awareness about environmental protection and fulfilment of

the corporate social responsibility of most manufacturers in Vietnam is still low.

The VEA, the executive agency of VGLP needs to be aware that the ignorance of manufacturers on the eco-labelling scheme is one of factors that may lead to the potential failure of the VGLP. In order to attract the attention of the manufacturers, it needs to convey information accurately and sufficiently to the community, and ensure the confidentiality of businesses and manufacturers. Additionally, it requires creating conditions for the manufacturers to be involved in drafting and promulgation of the Vietnam Green Label criteria.

2.2.3 Unstable finance

Currently, there is no stable funding to maintain operation of the VGLP and to develop the Vietnam Green Label criteria. In most cases, ecolabelling schemes' major revenues come from the fees paid by the enterprises to cover costs for evaluation, inspection and supervision, which are directly related to the processes of evaluation, approval and certification. The expenses for administration, research and development of criteria, marketing and promotion for eco-labelling program come from other sources. In the case of VGLP, in order to encourage the enterprises to participate in the Program, there is no revenue from fees, due to no application fee for enterprises when applying for the Vietnam Green Label certification. Since 2014, the Vietnam Government's expenditures for environmental protection have not included the budget for the development of new Vietnam Green Label criteria. Accordingly, although some enterprises were interested in registration for Vietnam Green Label for their products, namely cement, adobe bricks and bricks made from sludge, there is no available Vietnam Green Label criteria for such groups of products.

On the other hand, with the aim of helping consumers and enterprises to understand more about VGLP, it is crucial to have broad spectrum promotional campaigns across the country. Unfortunately, due to limited budget, these activities cannot be undertaken under the VGLP.

2.2.4 Technical issues

The adoption of product life cycle assessment which is embedded in the VGLP methodology is hard to apply to products produced in Vietnam due to the lack of a local lifecycle database. For example, some criteria in stage of raw material exploitation cannot be ignored and are considered important aspects. These criteria have been simplified in the requirements for the Vietnam Green Label certification; for example there is only a requirement for guarantee from suppliers of raw materials, in which the suppliers declare that they comply with the provisions of law on environmental protection or provisions on labor. However, based on the survey results in the process of development of Vietnam Green Label criteria for the 'ceramics for construction' product group in 2011 – 2012, such criteria are still difficult to comply with because in Vietnam,

raw materials are now imported from many different suppliers.

2.3. Assessment of opportunities of Vietnam Green Label Program

- Government policy changes towards green economy and Sustainable Consumption and Production or SCP
 - · Potential market demand

2.3.1 Government policy changes towards green economy and SCP

According to UNEP (2011), the green economy aims to improve human life and social equity, while significantly reducing environmental risks and ecological deficits. In other words, green economy is an economy with low emissions, efficient use of resources and commitment to social equity. In the context where the world's natural resources are being depleted, biodiversity has declined, environmental pollution has gradually risen and climate change has appeared clearer; many countries are choosing the new development model of green economy to deal with such issues. This new economic model recognizes the value and role of investment in natural capital, creating jobs and being a pillar for poverty reduction. Instead of using fossil fuels, in a green economy, renewable energy, low-carbon technologies, and a more efficient use of resources and energy is encouraged.

Currently, there are a range of policies, strategies and national action plans in relation with green economy and SCP. Because of the tight relationship between economic development and environmental protection for sustainable development at national level, the Resolution of the 11th Congress of the Vietnamese Communist Party states "To focus on developing green and eco-friendly economy; gradually develop clean energy, cleaner production and consumption".

Vietnam is pursuing the Green Economy model with the orientation of the Government indicated in the National Strategy for Green Growth which was promulgated in Decision No. 1393/QD-TTg dated 25 September, 2012. The Strategy sets goals of green growth economy towards low-carbon, enriching natural capital; reducing emissions and increasing absorption of greenhouse gases with specific objectives. This includes:

- Restructure and improvement of economic institutions towards greening existing industries and encouraging the development of economic sectors to use efficiently energy and resources,
- Research and application of advanced technology to more efficient use of natural resources,

- Reducing the intensity of greenhouse gas emissions;
- Improving people's lives,
- Building environmentally friendly lifestyles through job creation from the green industry, agriculture and services, and
- Investing in natural capital and green infrastructure development.

The three main tasks set up in the Strategy are: to reduce the intensity of greenhouse gas emissions and promote the use of clean energy and renewable energy; greening of production; and promoting sustainable lifestyles and consumption. Three major tasks are specified in 17 implementation measures towards the development of green economy.

Among the implementation measures to promote a green economy, stimulating sustainable lifestyles and consumption is directed toward sustainable production and consumption, and ecolabelling. The main content of this implementation measure is specified as follows:

- To develop and promulgate standards for economic activity and products with eco-labels:
- To build incentives for scientific technological research, encouragement for production and consumption of green/ecological products;
- To promote eco-labelling and dissemination of information on environmentally friendly products to the whole society;
 - To apply green procurement for certain product groups;
- To undertake research on issuance of regulations on green public expenditure, in which investment expenditure and expenditure of the state budget must prioritize the procurement and use of eco-labelled and recycled products;
- To use economic tools and techniques to encourage enterprises to save resources, and reduce the waste of energy and resources;
- To build certification and eco-labelling systems for green products; creating and promoting a green products market;
- To use economic tools, techniques and measures to encourage sustainable consumption;
- To apply some economic instruments such as excise taxes, environmental protection charges and taxes to adjust the unreasonable consumption behaviour, primarily for those products that are harmful to health, culture and environment.

In the trend of world development, eco-labels are increasingly considered to be an effective tool in encouraging producers and consumers towards sustainable production and consumption, thus contributing to increase the value of natural capital, reduce harmful impacts on the environment, and improve the quality of life. The VGLP is not an exception, and is expected to be a tool through which the manufacturers confirm their responsibilities towards society and the environment, increasing market share and

profits; consumers find safety for themselves when using environmentally friendly products; and the government can achieve the conservation and development of natural resources, reducing costs of treatment of environmental pollution and raising the quality of life. It can be said that Vietnam Green Label provides an opportunity for the common needs of producers, consumers and the governments towards sustainable production and consumption and strengthen the process of green economic development in Vietnam.

The enterprise, when implementing the VGLP, will create a good corporate image in which the enterprise complies with the laws of Vietnam, especially environmental and labor laws. This creates a competitive advantage, especially in markets with high demands for environmental aspects and social responsibility towards the community, and improves the company's reputation in the market. This gives the company an advantage in public procurement, thereby improving profitability and promoting the sustainable development of enterprises.

For consumers, the use of eco-labelled products also expresses their responsibilities towards society through environmentally friendly consumption behaviour. Consumers with high requirements for quality and safety for human health and the environment will inspire enterprises to provide environmentally friendly products. Consumers' demand could be a driving force for producers and suppliers to provide eco-labelled and environmentally friendly products.

On the other hand, the government, who plays the role of large consumer, can affect the procurement and consumption of environmentally friendly products through green public procurement, stimulating the manufacture of environmentally friendly products. The implementation of VGLP promotes sustainable production and consumption, enabling manufacturers to invest in environmental protection activities, reducing pollution emissions into the environment, improving environmental quality; reducing the investment costs for environmental pollution treatment; orienting development of green economy with the effective use of materials and energy; preserving and increasing the value of natural capital and improving quality of life.

2.3.2 Potential market demand

Under the law of Vietnam, a product granted the eco-label by a recognized Government agency is considered an environmentally friendly product. Manufacturing and businesses that have received certification for given products will enjoy some advantages in the form of incentives and support on export taxes, charges for environmental protection and green public procurement. Consequently, the businesses having received the Vietnam Green Label for products also enjoy these financial incentives in accordance with the law.

The incentives for products certified with Vietnam Green Label will encourage enterprises to actively engage in registration for eco-labels, creating double benefits for enterprises. On one hand, enterprises will receive financial incentives from the Government for their products certified with Vietnam Green Label. On the other hand, more importantly, the market share of the enterprises will be expanded with their products certified with the Vietnam Green Label. The reason can be explained, as there is a tendency in which the consumers do consider not only the quality, design and price of product, but also health and environmental aspects of the product when purchasing. The green certificate is an incentive for enterprises to strengthen their position in the domestic market and reach out to other markets, particularly those markets with strict environmental requirements, namely the EU, the US, etc.

It can be asserted that the Vietnam Green Label sets a target for enterprises and consumers' habits. In the Vietnamese context, enterprises are getting engaging the ecolabelling process to safeguard their market share and profits, while consumers are interested in eco-labelled products to ensure their health and safety during their use. All these efforts are directed towards a common goal of protecting the environment and improving quality of life.

2.4. Assessment of threats of Vietnam Green Label Program

Despite of the great opportunities mentioned above, the implementation of the VGLP is still facing many challenges, such as:

- Insufficient data for criteria development
- Insufficient resources and facilities
- Low market demand for certified products
- Lack of specific regulations for ecolabelling implementation
- Obstacles for integration of the Vietnam Green Label into green public procurement

2.4.1 Insufficient data for criteria development

Data on production, import, export and consumption are a valuable basis for the development of green criteria. The data is normally collected from surveys, field trips and from various statistical sources, such as the website of the General Department of Statistics under the Ministry of Trade. However, the data is fragmented, and in some cases is not available, which causes difficulties during the development of Vietnam Green Label criteria. Besides, the limited budget of the VGLP cannot cover the budget for both annual and periodical surveys and field trips.

2.4.2 Insufficient resources and facilities

Firstly, many enterprises do not have qualified staff with an adequate background on the eco-labelling program and the ISO 14000 norms, causing challenges in the preparation of Vietnam Green Label applications.

Secondly, in order to complete the application for the Vietnam Green Label, some product samples must be tested to verify the compliance with the current Vietnam Green Label criteria. The testing organization must have registered its operations according to the Circular No. 08/2009/TT-BKHCN dated April 08, 2009 of the Minister of Science and Technology, guiding procedures for registration for operation of conformity assessment bodies, and the Circular No. 10/2011/TT-BKHCN dated June 30, 2011 of the Ministry of Science and Technology amending and supplementing a number of provisions of the Circular No. 08/2009/TT-BKHCN dated April 08, 2009. On the other hand, the foreign testing organizations must be recognized according to the ISO/IEC 17025 international standard, which was accredited by organizations which are contracting parties to the mutual recognition agreement of ILAC (the International Laboratory Accreditation Cooperation) or APLAC (The Asia Pacific Laboratory Accreditation Cooperation). Because of the strict requirements for credibility of the testing laboratory and lack of qualified domestic testing laboratories, some product samples need to be sent to overseas testing laboratories which generates higher costs.

Thirdly, in order to meet the Vietnam Green Label criteria, enterprises may need to improve production technologies and use alternative material inputs. This requires a lot of time and investment into innovation, because of this, in some cases it is difficult to implement new measures in only one or two years.

2.4.3 Low market demand

It can be seen that consumers in Vietnam do not have the habit of purchasing environmentally friendly products, or are not interested in eco-labelled products. Even more, the state agencies do not have a positive attitude toward the procurement of eco-labelled products and there is no regulation on green public procurement. Therefore, there is no market for environmentally friendly products or major driving force to promote the enterprises to produce and register for product certification with the Vietnam Green Label.

A survey from the VGLP discovered that the portion of consumers that are willing to pay an additional 10% for more environmentally friendly products has fallen from 81% in 2009 to 57% in 2012. A large paper manufacturer in Vietnam cancelled its production lines of unbleached paper products, which were launched in 2010, due to the decrease in demand for green consumption. In Vietnam, almost all consumers prefer using bleached paper than the unbleached one.

2.2.4 Lack of specific regulations

Another weakness of the VGLP is lack of specific regulations or detailed guidelines for the implementation of existing regulations on ecolabelling. The existing provisions on incentives and support related to ecolabelling, that are stipulated in the Law on Environmental Protection 2014 and the Decree 19/2015/ND-CP guiding in detail the implementation of Law on Environmental Protection 2014, are too general to implement in reality. Currently, the Vietnam Ministry of Finance has been assigned to cooperate with the Ministry of Natural Resources and Environment to develop a specific Regulation or Circular guiding in detail the implementation of green public procurement practices. However, such regulation has not yet elaborated.

2.4.5 Obstacles for integration of the Vietnam Green Label into sustainable public procurement

The Law on Environmental Protection 2014 and a number of Prime Minister's Decisions assigned the Ministry of Finance, in coordination with Ministry of Natural Resources and Environment, the Ministry of Planning and Investment, to formulate and promulgate regulations on green public procurement. Under the provisions on environmental protection, the consumption of environmentally friendly products must be supported. Green public procurement must include the consumption of products certified with the Vietnam Green Label. Accordingly, under the Vietnamese legal system, the criteria used in green public procurement will refer to the Vietnam Green Label criteria. On the other hand, the regulation on green public procurement shall regulate the methodology to determine to which extent suppliers providing the products certified with Vietnam Green Label will be granted preferential treatment. However, there would be probable inconsistencies between the regulation on green public procurement and the existing Law on Bidding No.43/2013/QH13. The Law on Bidding No.43/2013/OH13 which indicates:

- "1. Bidders shall enjoy preferential treatment when participating in domestic or international bidding to supply goods of which costs for domestic production occupy 25% or more.
- 2. Entities entitled to preferential treatment in international bidding to supply advisory services, non-advisory services, construction and instalment include:
 - a) Domestic bidders bidding with independent or partnership status;
- b) Foreign bidders in partnership with domestic bidders in which the domestic bidders take over from 25% or more of work value of procurement.
- 3. Entities entitled to preferential treatment in domestic bidding to supply advisory services, non-advisory services, construction and installment include:
- a) Bidders employing female labourers whom comprise 25 % or more of the total quantity of labourers;

- b) Bidders employing disabled people as labourers, whom comprise 25 % or more of the total quantity of labourers;
 - c) Bidders that are small-size enterprises.
- 4. The Preferential treatment is calculated and applied during the assessment of the bid dossiers and dossiers of proposals, in order to compare and rank them according to one of the following methods:
- a) Additional points into the assessment points of bidders belonging to entities entitled to preferential treatment;
- b) Additional amount into the bidding price or assessment price of bidders not belonging to entities entitled to preferential treatment"

As a result, the principles for being granted the preferential treatment can be summarized as follows:

- For bid dossiers which have passed the technical assessment step, comparison and ranking are based on the assessment prices. The bidder with higher costs for domestic production and larger number of local employees shall be ranked the first.
- The bidders entitled to more than one preferential treatment will be granted the most beneficial preferential treatment.
- For the mixture procurement², the determination of preferential treatment is based on the supply of advisory services, non-advisory services, construction and instalment.
- Bidders shall enjoy preferential treatment when participating in bids to supply goods of which costs for domestic production occupy 25% or more of the value of procurement.

Consequently, under the provisions on bidding, the environmentally friendly products certified with the Vietnam Green Label are not eligible for preferential treatment in the general process of bidding. It should undertake in-depth research to overcome the inconsistencies between the Law on Environmental Protection, and the Law on Bidding 2013. In addition, the Ministry of Finance and the Ministry of Planning and Investment should consider certified environmentally friendly products in the calculation of the bidding price, so that the bidding packages of products certified with the Vietnam Green Label can be given priority in the bidding process.

²According to the Law on Bidding No.43/2013/QH13:Mixture procurement means a procurement comprising of engineering and goods provision; engineering, construction and installation; goods provision and construction and installation; engineering, goods provision, construction and installation; making project, engineering, goods provision, construction and installation.

Proposed solutions

- A National indicator system to monitor and evaluate the implementation of SCP, and a national database on ecolabels (including Vietnam Green Label, Green Lotus Label, Energy Label) should be developed and implemented. The existing national database on social-economic statistics which is currently managed by the Vietnam General Statistics Office should be improved in terms of quantity and quality, to provide transparent and sufficient information to identify market demand and support ecolabel criteria development.
- Specific regulations (e.g. regulation on SPP) to instruct the implementation of incentives and preferential treatment for companies implementing SCP practices and adopting the VGLP need to be developed. In the short term, an in-depth study should be conducted to review the existing incentives and preferential treatment related to SCP and ecolabels (e.g. Vietnam Green Label) and identify the potential mechanisms to integrate such incentives and preferential treatment into current public procurement processes.
- An LCA approach should be applied in eco-innovation activities in manufacturing establishments, industrial parks and industrial clusters; in order to improve the efficiency use of resource and, prevent and minimize waste.
- Programs on trade promotion, strengthening for competitiveness and improving market access for products certified with Vietnam Green Label and other ecolabels (e.g. Energy saving label) should be developed and adopted.
- Training programs in capacity building for enterprises, especially for staff in charge of environmental protection and implementation of VGLP should be introduced. Additionally, technical guidelines on the implementation of the Vietnam Green Label should be developed and circulated to relevant units and staff of the enterprises.
- Training programs on capacity building for the Vietnam Green Label Office staff should be organised to improve their skills and capability in the certification of environmentally friendly products.
- Activities on the promotion and marketing of the Vietnam Green Label Program and SCP (e.g. information tools, campaigning) should be undertaken to raise public awareness and encourage enterprises to get involved in the Program.

3. Review of ecolabelling programs of some members of the Global Ecolabelling Network (GEN)

3.1. Canada's EcoLogo

Launched by the Canadian federal government in 1988, EcoLogo has grown to serve buyers and sellers of green products throughout the United States and Canada.

Ecologo was developed with the support of the German eco-labelling program (Blue Angel). In 1995, the Canadian Department of Environmental Affairs decided to assign the operation of the Ecologo to a private entity under the supervision of the Department of Environmental Affairs. Terra Choice is the private company that won the bid for the management of the Ecologo. When signing the contract with the Department of Environmental Affairs, Terra Choice made a commitment to develop the Ecologo so it becomes well known and attracts many companies.

Being the second eco-labelling program to be established in the world, in the beginning of implementation, the structure and operation of Ecologo program was similar to other newly established eco-label programs. The Ecologo program office was set up to receive the registration dossiers or public opinions, and feedback was gathered in the process of developing criteria. The members of the Ecologo program office and the public were invited to comment, and relevant experts were invited to assess the candidates for registration. However, this approach took a large amount of time and was sometimes not satisfactory for the applicant. At that time, the processes were quite cumbersome and ineffective. As a result, only one new set of criteria was developed and few certifications granted.

Currently, the Ecologo program is the largest eco-labelling program in North America that is recognized across the world, with more than 450 regular customers and certification for more than 10,000 different products. The Ecologo Program provides entrepreneurs and community a certification on the environmental standards of eco-labelled products and services. These products and services certified with Ecologo have environmental superiority compared to the same products after undergoing strict and scientific testing reflecting environmental aspects in the entire product lifecycle. EcoLogo Program is one of two eco-labelling programs in North America that are audited by GEN and that meet the ISO 14024 standard on eco-labelling.

Terra Choice was seeking funding to implement the Ecologo program, and charging each applicant for registration. Terra Choice has established a marketing team for the Ecologo program with the purpose of using the brand as a marketing tool to commercialise the Ecologo program. The experience of Ecologo shows that marketing plays an important role. Marketing creates demand, and thereby the supply is also increased.

The evaluation criteria for product or service categories include one or more of materials; energy; production and the operation; health environment; performance and use of the product; management and product innovation. In the years of 1988 - 1991, under the administration of the Department of Environment Canada, only one set of criteria was developed. This period was regarded as a stage of learning to formulate criteria. In 1995, the Government assigned the executive program to Terra Choice. Within 3 years from 1995 to 1998, 32 criteria were developed. At the beginning, Terra Choice focused on developing criteria because without criteria, there were no applicants. The increase of number of criteria attracted many suppliers and manufacturers to the Ecologo Program. The experience of the Ecologo Program has shown that to develop criteria successfully, the existing product and services categories which cover large number of manufacturers and providers should be selected. Therefore, it should choose a product category in which there are at least 4-5 enterprises that desire to develop criteria in order to create competition between them. In terms of technical criteria development, if it includes too many indicators it may generate higher costs and its development may take more time, as a consensus among various experts may be necessary. It is important to find a starting point in which 3-4 indicators are established at first; after 2-3 years, the criteria are reassessed and revised with one or two additional indicators. The flexible and simple criteria can attract the participation of enterprises. At present, the Ecologo Program has more than 350 product criteria and specifications recognized. The criteria and the product or service certified are published in the Guidelines of Sustainable Products.

To be certified with EcoLogo, the product/service must meet all the criteria for the relevant product or service group. The evaluation is undertaken by an independent organization (third party). This organization must have ISO 17011 - Accreditation, ISO 17021 - Management System Certification, ISO 17025 - Calibration Laboratories Certification, ISO 19011 - Quality and Auditing of Environmental Management Systems Certification, ISO/IEC Guide 65 - Product Certification. If the products or services successfully satisfy the evaluation process, the products or services will be certified with EcoLogo label.

3.2. Blue Angel of Germany

The environmental label was created in 1978 on the initiative of the German Federal Minister of the Interior and approved by the Ministers of the Environment for the German federal states. Since then the Blue Angel has been a market-based, voluntary instrument of environmental policy. The standard is built around four principles: better environmental standards in the manufacturing process, improving occupational safety and health, avoiding harmful chemical substances in the product, and good usability.

The list of products is included in the program on the basis of the recommendations of enterprises and consumers. The German Federal Environment Agency evaluates and advises the Environmental Label Jury to select product groups for

the Blue Angel Program. Annually, an average of 150 products are recommended, but only 6 products are selected for the program. After concluding agreements and taking decisions on certain product categories for the Blue Angel Program, the German Federal Environment Agency will draft the criteria for each product category. In general, it takes from six months to a year to elaborate the first draft. This first draft will be forwarded to RAL gGmbH (hereafter referred to as RAL), which is the awarding body for the environmental label. RAL organizes meetings to get "expert opinions" and public the criteria set by the German Federal consultation on Environment Agency. Representatives from industry and manufacturing (both domestic and foreign), groups/organizations of consumers, environmental organizations and scientists are invited to make their comments on the draft criteria. RALgathers all the comments and suggestions from the consultative meetings and submit them to the German Federal Environment Agency for review. Consequently, the Environmental Label Jury officially approves the criteria based on agreements between relevant stakeholders. The Minister of Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety publishes the official criteria in the Ministry's magazine and newspaper. RAL disseminates the approved criteria. The evaluation criteria are usually reviewed every three years. If there are major improvements in production technology of a certain product category, the criteria of this product category can be re-evaluated and revised before the deadline of 3 years.

The manufacturers need to apply for permission to use environmental labels on certain products. RAL is the agency responsible for receiving the applications for the Blue Angel Label and reviewing the compliance with the criteria. The label is issued based on the assessment of reports submitted by the manufacturers, and organizes the verification activities (if necessary) to verify information on the product and data submitted by the applicant. If the registration dossier satisfies the requirements, RAL forwards the registration dossier to the Federal Environment Agency and the host countries where production facilities are located. The Federal Environment Agency issues a decision of approval and signs a contract with the applicant that allows them to use the Blue Angel Label. The valid period of the contract is 4 years. If in the valid period of the contract, the Environmental Label Jury reconsiders and modifies the evaluation criteria, the manufacturers must re-apply to renew the contract for their products.

The Blue Angel Label Program is considered to be quite flexible in changing its assessment criteria for timely adaptation to changes in production technology and environmental protection goals of Germany. In the launch of the Program (in the late 1970s), only one or two aspects, namely the production stage and/or disposal stage of the product were considered when developing the criteria. At present, more environmental aspects are studied such as toxic substances, emissions, pollution prevention and safety, throughout the whole life cycle of the product.

Currently in Germany there are several kinds of eco-labels available to

consumers. The consumers focus more on well-known eco-labels (e.g. "Blue Angel", "eco-test"). According to the experts of the Independent Institute for Environmental issues, the "eco-test" meets more requirements of manufacturers than "Blue Angel" because "eco-test" can be applied to all product categories, while "Blue Angel" can only applied to some product categories. Consequently, "eco-test" attracts the attention of larger number of manufacturers while Blue Angel only attracted 20% of manufacturers (The information is achieved from the meeting between the German Blue Angel Program and the Vietnam Green Label Program).

3.3. Korean eco-labelling program

In Korea, the eco-labelling program is managed and operated by the Government. To develop the eco-labelling program, the Korean government made cautious steps and thorough preparation of the legal basis to ensure the success of the eco-labelling program. There are some important milestones in the implementation of the eco-labelling program in South Korea:

- In May 1991: The Korea Eco-Label Program was initiated, on the approval of National Environmental Advisory Committee.
- In April, 1992: The Korea Eco-Label Program was notified by the Ministry of Environment.
 - In October, 1993: The Eco-Label Committee Secretariat was established.
- In December, 1994: The legal base of the Korea Eco-Label Program was established (Act on Environmental Technology Development and Support Act).
 - In June, 1995: The Korea Eco-Label Association (KELA) was founded.
- In October, 1997: The Korea Eco-Label Program was affiliated to GEN (Global Eco-labelling Network)
- In October, 2000: The Korean Ministry of Environment established an agency for product packaging assessment.
- 2002: The Korean Ministry of Environment assigned its subsidiary unit as an operating body of Life-Cycle Inventory Database for the Environment (February 2002). Shortly thereafter, the Korean Ministry of Environment also signed a series of Mutual Recognition Agreements with other eco-label programs of Asian countries and some developed countries, including Australia, New Zealand, Canada, US and the five Scandinavian countries.
- In 2004, the Korean Ministry of Environment officially assigned its subsidiary unit as an agency for the selection of product categories and product evaluation criteria.

- In 2005, the Ministry of Environment consolidated the organizations by establishing the Korea Eco-Products Institute (KOECO) and merging the Korean Environmental Labelling Association (KELA) with KOECO. Also in 2005, South Korea enacted the Act on the Promotion of the Purchase of Environment-friendly Products - a great turning point in promoting the production and consumption of eco-labelled products with the government's policy support. The number of companies registered and products certified with Korean Ecolabel rocketed from 757 products of 306 companies certified (since before 2004) to 9,800 products of nearly 680 companies (July 2013).

- In August 2009, the Korean Ecolabel Program was assigned to the Korea Environmental Industry & Technology Institute (KEITI). KEITI was established on the basis of merger of KOECO and KAIST (Korea Advanced Institute of Science and Technology).

The Korean Ecolabel Program has more than 150 sets of criteria for different product groups, including three sets of criteria for groups of services (hotels, apartments, auto maintenance). The criteria are developed and published by KEITI under the guidance of ISO 14024.

KEITI assigns the Ecolabel Certification Office and Environmental Standard Management Office to directly operate the Korean Ecolabel Program. In particular, (i) the Ecolabel Certification Office is responsible for the overall management of the ecolabel, including counselling; certification and recertification; certificate issuance; management of certified products; and support for international certification; (ii) the Environmental Standard Management Office is responsible for the overall management of eco-label criteria: development and revision of ecolabel criteria; research on green standards; international activities for standardization of ecolabel criteria; and the overall management and monitoring products certified with ecolabels (inspection on products certified with eco-labels; inspection on illegal use of ecolabels and excessive packaging).

Regarding the certification process, enterprises submit a registration dossier to KEITI. This process includes 10 steps:

- Step 1: KEITI receives application form;
- Step 2: KEITI reviews application form and provides a guide to 'application fee' payment (if registration dossier is valid);
 - Step 3: KEITI assigns auditors and announces on-site audit schedule;
 - Step 4: Document screening (application form and submitted documents);
 - Step 5 (on site audit): Seal after on-site audit, sampling and request

applicant for test analysis to testing agency;

- Step 6 (Receiving evidence data and test result): The applicant submits evidence data to decide conformity to certification criteria. The testing agency sends the test results. KEITI receives the test result and reviews the data;
 - Step 7: KEITI holds the Certification Deliberation Commission meeting;
- Step 8: KEITI notifies applicant of deliberation result and provide a guide to 'use fee' payment;
 - Step 9 (Delivery of certificate): The applicant pays use fee;
- Step 10 (Use of Eco-Label): The applicant signs a contract with KEITI to use the Eco-Label within one month after delivery of certificate. The contract is valid for 02 years. Before signing a contract to use the label, enterprises must submit their plan to use eco-labels and designs of eco-label for their products.

Green public procurement was first introduced in paralel with the Korea Ecolabel under the Act on Development and Support of Environmental Technology of 1994. The state agencies were recommended to preferentially purchase products certified with the Korea Eco-label. However, it had remained inactive due to the limited number of ecolabelled products and the lack of a monitoring system.

The green public procurement became more concrete when the Korea Ministry of Environment issued an Act on Encouragement of Purchase of Green Products (Hereinafter the Act of 2005) in 2005. Following the Act of 2005, the state agencies are obliged to submit an annual implementation plan on green purchase and the performance records of the previous year to the Ministry of Environment at the beginning of each year. The government does not set the quantitative targets related to green public procurement, but make each state agency come up with its own voluntary target (e.g. estimated amount of green purchase and % of green purchase in relation to the total purchase of the year). The green procurement can be done in two ways: a) each organization directly purchase green products and services. In case the total amount of purchase exceeds a certain threshold, the purchase is commissioned by the Korea Public Procurement Service (PPS), a centralized public procurement agency; b) each organization requires the contractors to purchase green products in delivering the services.

The Korean green public procurement is implemented in connection with the ecolabelling, namely Korea Eco-label and Good Recycled Mark in order to minimize the administrative costs required to set the green procurement standards. The products and services applicable for green public procurement are defined by the Act of 2005 as a) certified or meeting the underlying criteria set by the Korea Eco-label; b) certified or meeting the criteria of the quality certificate for recycled products (Good Recycled

Mark); c) complying with other environmental criteria set by Ministry of Environment following consultation with the heads of relevant Ministries.

The adoption of the Act of 2005 has been instrumental in stimulating the development of ecolabelled products in both quantity and quality by leveraging the public demands. The total amount of green public purchases rose dramatically for the first few years after the adoption of the Act of 2005 and maintains steady growth. The total public expenditure in green purchases more than tripled from 254.9 billion KRW in 2004 to 787 billion KRW in 2005, further rose to 1,727 billion KRW in 2012. In addition, the number of products certified by the Korea ecolabel increased 3.8 times by 2012 compared to 2004.

In addition, the economic, environmental, and social impacts of green public procurement are annually calculated by KEITI in order to communicate the benefits to the public. From 2004 to 2012, the estimated reduction of CO2 equivalent emission is 3.1 million tons, which can be translated into 54.5 billion KRW of economic savings. Social benefits are calculated in terms of 12,143 new jobs (*Statistics achieved from KEITI, 2012*).

3.4. EcoMark of Japan

Eco Mark Program is operated by the Japan Environment Association (JEA), founded in 1989. The Japan Environment Association (JEA) administers the Eco Mark Program; JEA Eco Mark Office ('Office') administers general affairs. JEA established consultative bodies which are consisted of representatives from industries, consumer groups, academics, governmental organizations and so on. The Steering Committee under JEA will organize consultative teams, who are responsible for developing and evaluating the criteria for each product group. The consultative teams will draft the set of criteria and then post it on the Eco Mark News website to get comments and feedback from the public within 60 days. After public consultation, the consultative team will revise the draft criteria and submit to JEA for review and approval.

After the criteria are published, enterprises can submit their applications to register for to use of the eco-label to the Steering Committee of JEA. Depending on each case, the Steering Committee coordinates with independent third parties to assess the registration dossier. If the results of the evaluation show that the applicant satisfies the prescribed criteria, JEA will sign a contract allowing the enterprise to use ecolabel within 2 years.

Similar to many other eco-labelling programs, the EcoMark Program of Japan develops criteria based on the assessment of the entire lifecycle of the product. However, since the launch of Eco Mark Program, the evaluation methodology

used by the program has changed considerably. Currently, the EcoMark Program complies with the standards and principles (ISO 14020 - An environmental label and declaration, a general principle; ISO 14024 - An environmental label and declaration, a type I environmental-label display, a principle and procedure) of the International Organization of Standardization (ISO), and the local environmental laws in the evaluation of products and certification of compliance. There are 60 sets of criteria for 60 different product groups under this program.

Since April 2002, EcoMark signed partial Mutual Recognition Agreement with the Nordic Swan Ecolabellig Program for the certification of a copying machine. In February 2005, another partial Mutual Recognition Agreement for certified copying machines was signed with the New Zealand Environmental Choice Ecolabelling program.

This Partial Mutual Recognition Agreement communalizes the criteria in each system; the result of the examination of those common requirements enables them to be used in both programs. In the case of an application for certification with the Nordic-Swan or the New Zealand Environmental Choice Ecolabel for a copier which has already obtained the Eco Mark, the examination of the common requirements will be eliminated.

At present, there are some overseas ecolabelling programs for which the EcoMark Office can perform product certification examinations on behalf of them. These ecolabelling programs are: Korean Eco-label (Korea Eco-products Institute), Green Label (Thai Environmental Institute), Green Mark (Environment and Development Foundation) and New Zealand Environmental Choice (New Zealand Ecolabelling Trust).

Japan has used green purchasing to reduce environmental impacts and accelerate a shift in demand toward eco-friendly goods. In May 2000, Japan enacted the Law on Promoting Green Purchasing which was implemented from April of the succeeding year. This law obliges all government ministries and agencies to implement green purchasing policies. Each government organisation must draw up and release its "procurement policy" including procurement targets every fiscal year and report the procurement achievements to the Environmental Ministry. In addition, all local authorities across the country were required to demonstrate "efforts" to implement green purchasing. They are asked to make an effort to draw up green procurement policies every year and practice green purchasing activities based on the national regulation. When the law was enforced in 2001, 101 items from 14 categories were specified as "designated" eco-friendly goods, largely based on the Japanese Eco mark. Within a year, the number of items had increased to 152.

The Japanese policy requires that:

"a. Environmental attributes must be considered in addition to price and quality considerations b. Environmentally and socially diverse viewpoints must be incorporated. c. Reduction in environmental impact should be based on a life-cycle approach. d. There

should be a commitment to long-term use, correct utilization, and appropriate disposal of procured goods and services"

Criteria for selection:

- As a general rule, clear numeric data must be used for selecting designated procurement items.
- If clear numeric criteria cannot be established, attributes that contribute to reducing environmental impact shall be defined as "factors for consideration."
- As needed, these standards can be revised in response to product improvements, market developments, or scientific knowledge of the products.
- When a certified item included in the designated procurement items list becomes readily available in the marketplace, the item shall be omitted from the listing.

The passage of the Law made a tremendous impact since all central Government bodies commenced Green Public Procurement (GPP) practices simultaneously, with State Government and local bodies following suit in quick succession. Faced with a sudden and very large demand for Eco-marked or eco-friendlier goods and services, suppliers quickly adapted both products and processes to cater to the large demand.

According to the Ministry of Environment, data on procurement policies in local government show that all 47 prefecture governments had developed green procurement policies by 2005. At the district/city and the town/village levels, after successive years of increasing implementation, in 2005 a negative trend in the enforcement of green purchasing guidelines was recorded. Only 45.4% (47% in 2004) of districts/cities and 10% (11.1% in 2004) of towns/villages followed the green purchasing guidelines. This was attributed to lack of access to eco-friendly products in smaller communities and rural areas, as well as lack of legal enforcement mechanisms.

The Ministry of Environment thus decided to create special guidelines for small local Government bodies from 2007. Eco-marked products became commonplace and supplanted non-labelled products in the market place, resulting in individuals and household consumers finding EcoMarked products readily available.

There is an increase in the number of corporations that have already established purchasing policies or are currently in the process of developing policies. By 2004, 29.4% of Japanese public companies made efforts to purchase eco-friendly goods and 38.4% were in the process of considering or developing policies. Private companies were slightly less motivated to adopt green purchasing, 21.7% were purchasing eco-friendly products in 2004, and 33.1% were in the process of considering or developing policies to this end.

IV. Lessons learnt and recommendations

All eco-labelling programs mentioned above are voluntary. In addition, some eco-labelling programs are owned and managed by governments (e.g. the "Blue Angel" of Germany) while some governments owned programs are operated by private organizations (e.g. the "EcoLogo" of Canada). The process of selection of product categories and the development of criteria has common aims of minimizing waste and reducing negative environmental impacts in comparison with similar products. Most eco-labelling programs use LCA tools for criteria development and consider life cycle impacts. Nonetheless, the stringency of the criteria used in each eco-labelling program may vary according to the level of development of the program, the level of technology presents in the country, the market requirements, data availability and the environmental context of each country.

The lesson learnt from reviewing the above ecolabelling schemes, especially Korea Eco-Label Program and Japan EcoMark Program is that they show that green public procurement has benefited from the already established green criteria of the ecolabelling schemes. The presence of a national ecolabelling scheme can make the foundation to raise awareness and support of policy makers to invest in GPP implementation. Thanks to the presence of an ecolabelling scheme, the obstacles to step in GPP could be seen as lower, because networks and institutional procedures are already in place to some extent.

By linking these two policies, administrative costs to set the green procurement criteria can be avoided. On the other hand, it was after the government's clear signal to scale up SPP or GPP, that the green products became competitive and diversified in the market. This approach can be strategically replicated in Vietnam considering the adoption of both ecolabelling, namely Vietnam Green Label and SPP simultaneously. At present, after the initial implementation phase, the Vietnam Green Label Program has achieved remarkable results. The VGLP currently has a concrete legal basis, complete administrative apparatus and a range of available and stringent ecolabel criteria, partly contributing to raising the public awareness on sustainable consumption and production. The VGLP can potentially serve as a starting point to develop successfully the national SPP policies and programmes in Vietnam. For example, the SPP program can be started with the products currently covered by the Vietnam Green Label. On the other hand, by integrating VGLP into SPP, confusion can be minimized, as well as the burdens for procurers, if the Government implements an SPP mechanism in Vietnam.

V. Conclusions

Eco-labelling programs offer considerable promise. If green consumption can be encouraged and sustained, an eco-labelling program provides strong opportunities to exploit market power to protect the environment. In all cases, participation in voluntary

programs is based on both consumers and business. Moreover, eco-labelling programs offer a unique opportunity to encourage change and innovation throughout the lifecycle of a product.

The VGLP has been operated at national scale since March 2009 by the Ministry of Natural Resources and Environment. The overall objective of this programme is to enhance sustainable use of natural resources and environmental protection by encouraging patterns of environmental-friendly production and consumption certified by the Vietnam Government. Currently, the Vietnam Green Label has been applied to a range of products groups, including: Paper office, batteries, architectural coating products, printers, laptops, ceramic building materials, hair care products, solid soap, powder laundry detergent, hand dishwashing detergents, biodegradable plastic shopping bag, synthetic paper food packaging, fluorescent lamp, toner cartridge.

Although having numerous opportunities, the VGLP has still facing many obstacles. Firstly, the awareness and interest of consumers, political and social organisations, and enterprises on VGLP is very low due to lack of activities on promotion and marketing. Secondly, the limited and unstable budget puts pressure on the operation and potential development of the Program. Thirdly, the lack of specific regulations in which incentives and preferential treatment for enterprises are clearly identified is also one of the major bottlenecks towards a better implementation of the VGLP.

On the other hand, the review of some ecolabelling schemes (e.g. Korea Eco-Label Program, Japan EcoMark Program) shows that an important driver for promoting the current VGLP is SPP. An Ecolabelling scheme can support SPP and vice versa. There is great opportunity to integrate the use of the Vietnam Green Label in SPP when the inconsistencies between the laws on environmental protection and the laws on bidding is resolved.

References

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- 2. Decree no 19/2015/ND-CP issuedbytheGovernmentdated on 14th February 2015 on guiding in detail theimplementation of Law on EnvironmentalProtection 2014.
- 3. Vietnam Environment Administration (2013): Survey anddevelopment of Vietnam Green Label criteria for 10 product groupsandimplementation of Vietnam Green Label certification in theperiod2011 2013.

- 4. Vietnam Environment Administration (2006): Survey and assessment of legal basis forcertification of environmentally friendly products and establishments.
 - 5. FriederRubikandGerdScholl (2002): Eco-labellingpractices in Europe.
- 6. UNEP (2011): Towards a green economy: PathwaystoSustainable Development andPovertyEradication.

ANNEX 1. LIST OF INTERVIEWEES

No.	Organisation	Name		
	National consultants			
1	Department of Meteorology, Hydrology and Climate change, Ministry of Natural Resources and Environment	MSc. Pham Thi Minh Hoa		
2	Vietnam Academy of Science and Technology	MSc. Le ThiHuong		
3	Vietnam Cleaner Production Centre	PhD. Nguyen Hong Long		
4	Vietnam Institute of Meteorology, Hydrology and Climate Change	Trinh Dinh Lu		
5	KEITI	MSc. To Kim Oanh		
6	Asia Foundation	MSc. Nguyen Tri Thanh		
7	Ministry of Natural Resources and Environment	MSc. Trinh Quang Tien		
	Company			
8	DienQuang Lamp Joint Stock Company	Representative		
9	Panasonic Vietnam Co.,Ltd	Representative		
10	Van Diem Paper Joint Stock Company	Representative		
11	Jotun Vietnam Co.,Ltd	Representative		
12	Ceramic Thang Long Joint Stock Company	Representative		
	Association			
13	Vietnam Standard and Consumers Association	Representative		
14	Vietnam Retail Association	Representative		

ANNEX 2. LIST OF PRODUCTS AND SERVICES REGISTERED AND CERTIFIED

No	Product	Company	Certified Code	Validity
1	Tide Laundry Detergent	Procter & Gamble. Co	Decision 52/QD- TCMT-2011	18/01/2011 - 01/18/2014
2	- Compact fluorescent light bulbs (33 types) - Straight tube fluorescent bulbs (10 types) - Double wing bulbs (03 types)	DienQuang Lamp Joint Stock Company	Decision 1228/QD-TCMT- 2014	10/10/2014 - 10/10/2017
3	Coating used for construction: - Majestic Pearl Silk - Jotashield	Jotun Paint Vietnam Co, Ltd	Decision 83/QD- TCMT-2014	20/2/2014- 20/2/2017
4	Printers: - Fuji Xerox DocuPrint P355d - Fuji Xerox DocuPrint P355db	Fuji Xerox Asia Pacific Pte Ltd. Office	Decision 512/QĐ-TCMT- 2014	29/5/2014- 29/5/2017
5	Coating used for construction: Majestic True Beauty Sheen (2 types)	Jotun Paint Vietnam Co, Ltd	Decision 599/QĐ-TCMT- 2014	20/6/2014- 20/6/2017

ANNEX3. LIST OF EXISTING VIETNAM GREEN LABEL CRITERIA

- 1. Paper office
- 2. Batteries
- 3. Architectural coating products
- 4. Printers
- 5. Laptops
- 6. Ceramic building materials
- 7. Hair care products
- 8. Solid soap
- 9. Powder laundry detergent
- 10. Hand dishwashing detergents
- 11. Biodegradable plastic shopping bag
- 12. Synthetic paper food packaging
- 13. Fluorescent lamp
- 14. Toner cartridge

ANNEX 4. CIRCULAR 41/2013/TT – BTNMT PROVIDING PROCEDURES FOR CERTIFICATION OF ECOLOGICAL LABELS FOR ENVIRONMENT-FRIENDLY PRODUCTS

MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT

No: 41/2013/TT-BTNMT

SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness

Hanoi, December 02, 2013

CIRCULAR

PROVIDING PROCEDURES FOR CERTIFICATION OF ECOLOGICAL LABELS FOR ENVIRONMENT-FRIENDLY PRODUCTS

Pursuant to the Law on Environmental Protection No. 52/2005/QH11 dated November 29, 2005;

Pursuant to the Decree No. 80/2006/ND-CP dated August 09, 2006 of the Government on detailing and guiding a number of articles of the Law on Environmental Protection;

Pursuant to the Decree No. 21/2013/ND-CP dated March 04, 2013 of the Government on defining functions, tasks, powers and organizational structure of the Ministry of Natural Resources and Environment;

At the proposal of the General Director of Vietnam Environment Administration, the Director of Department of Policy and Legislation;

The Minister of Natural Resources and Environment promulgated the Circular providing procedures for certification of ecological labels for environment-friendly products,

Chapter 1.

GENERAL PROVISIONS

Article 1. Scope of regulation

This Circular provides procedures for certification and labelling of ecological labels for environment-friendly products. Ecological labels as specified in this Circular shall be named as Vietnam Green Label.

Labelling Vietnam Green Label is a voluntary activity, not under the scope of regulation of laws on labelling of goods.

Article 2. Subjects of application

This Circular shall apply to state agencies, organizations, individuals relating to activities of certification and labelling of Vietnam Green Label.

In cases where a treaty to which the Socialist Republic of Vietnam is a contracting party contains different provisions, the provisions of such treaty shall apply.

Article 3. Testing Organization

- 1. The testing organization which registered its operation according to Circular No. 08/2009/TT-BKHCN dated April 08, 2009 of the Minister of Science and Technology, guiding requirements, procedures for registration of field of conformity assessment operation and Circular No. 10/2011/TT-BKHCN dated June 30, 2011 of the Ministry of Science and Technology amending, supplementing a number of provisions of Circular No. 08/2009/TT-BKHCN dated April 08, 2009 of the Minister of Science and Technology, guiding requirements, procedures for registration of field of conformity assessment operation.
- 2. Foreign testing organizations recognized according to the ISO/IEC 17025 international standard which were accredited by organizations which are contracting parties to the mutual recognition agreement of ILAC (the International Laboratory Accreditation Cooperation) or APLAC (The Asia Pacific Laboratory Accreditation Cooperation).

Article 4. Criteria of Vietnam Green Label

- 1. Criteria of Vietnam Green Label shall comprise the following contents:
- a) Compliance with laws on environmental protection and labor of organizations, individuals doing manufacture or trade (below collectively referred to as "the enterprise");
- b) Impact of the whole life circle of a product, from the process of exploiting materials, production, distribution, use and after being disposed shall cause less pollution to the environment in comparison with other same type of products.
- 2. Criteria of Vietnam Green Label shall be in proportion to each category of products being announced by the Ministry of Natural Resource and Environment.

Article 5. Operational budget

- 1. Testing budget of a product's sample and budget for preparing a dossier for registration on certification of Vietnam Green Label shall be paid by the enterprise based on a service contract signed with a unit having function in compliance with prevailing provisions of laws.
- 2. The budget for assessment of the dossier, inspection on the use of Vietnam Green Label shall be allocated from the source of budgets for environmental activities in accordance with provisions of financial laws.

Article 6. Publicity of information

- 1. Registration procedures, detailed forms for certification of Vietnam Green Label shall be notified on the column of Vietnam Green Label, the webpage of Vietnam Environment Administration, Ministry of Natural Resources and Environment (http://vea.gov.vn/VN/khoahoccongnghe/nhanxanh).
- 2. The Vietnam Environment Administration shall take responsibility to publicize the Decision on certification of Vietnam Green Label for products being certified on the Environmental Magazine, on other documents propagandizing and publicizing Vietnam Green Label and the webpage of the Vietnam Environment Administration.
- 3. The Decision on withdrawal of a certificate of Vietnam Green Label shall be sent to the violating enterprise, the Vietnam Association of Standards and Consumers Protection, the Vietnam Retailers Association, be publicized on the webpage of the Vietnam Environment Administration and on the mass media.

Chapter 2.

SPECIFIC PROVISIONS

Article 7. The dossier for registration of Vietnam Green Label

A dossier for registration of Vietnam Green Label shall comprise:

- 1. A (01) request for certification of Vietnam Green Label as specified in the sample in Annex 1 enclosed with this Circular;
- 2. A (01) original copy of the Report on environmental protection activities of the enterprise as specified in Annex 2 which is enclosed with this Circular; or a (01) certified-true copy of a valid certificate of conformity with the national standard of TCVN ISO 14001 issued by a certification organization which registered scope of activities in accordance with laws; or a (01) certified-true copy of a certificate of conformity with the international standard of SO 14001: 2004 issued by a certification organization which is a member of the International Forum of Accreditation (IFA), the Pacific Accreditation Cooperation (PAC) or a similar standard;
- 3. An (01) original copy of a Report on assessment of products satisfied criteria of Vietnam Green Label as specified by the Ministry of Natural Resources and Environment for each category of products, enclosed with testing results issued by the testing organization with a validity not exceeding six (06) months since the date of receiving a valid dossier of registration by the Vietnam Environment Administration;
- 4. A (01) certified-true copy of the certificate of registration of goods label;
- 5. A (01) photocopy or drawing of industrial design of products having dimension of 21 cm x 29 cm.

Article 8. The certification process of Vietnam Green Label

1. The dossier on registration for certifying Vietnam Green Label shall be sent to the Vietnam Environment Administration. The General Director of the Vietnam Environment Administration shall assign a (01)

specialized unit which is under the Vietnam Environment Administration being a standing unit to assess the dossier on registration for certifying Vietnam Green Label.

- 2. Within five (05) working days since the date of receiving a dossier of registration, the Vietnam Environment Administration shall be responsible for consideration of completion and validity. In case the dossier is not completed or invalid, the Vietnam Environment Administration shall issue a written request for amendment, supplement and completion of the dossier.
- 3. Within twenty (20) working days since the date of accepting the dossier in term of completion and validity, the Vietnam Environment Administration shall be responsible for doing assessment on the dossier on registration for certifying Vietnam Green Label on the basis of appropriate level of the registration dossier with the criteria of Vietnam Green Label.
- 4. In case of a satisfied testing result, within five (05) working days since the day of testing result, the Director General of Vietnam Environment Administration shall be responsible for signing the Decision on certification of Vietnam Green Label. The Decision on certification of Vietnam Green Label shall be notified the enterprise right after signing of promulgation.
- 5. In case of an unsatisfied testing result, within three (03) working days since the date of testing result, the Vietnam Environment Administration shall be responsible for sending a written notice to the enterprise and stating reasons of not being satisfied.

Article 9. The Decision on certification of Vietnam Green Label

- 1. The decision on certification of Vietnam Green Label shall be made pursuant to Annex 3 which is enclosed to this Circular.
- 2. The product code being certified with Vietnam Green Label shall bear the number of the Decision on certification of product satisfying criteria of Vietnam Green Label plus year of issuance.
- 3. The Decision on certification of Vietnam Green Label shall valid within three (03) years since the date of issuance.

Article 10. Re-certification of products satisfying the criteria of Vietnam Green Label

- 1. The repeat of consideration, assessment and certification of Vietnam Green Label shall be carried out in one of following cases:
- a) The enterprise has a continuous demand in labelling of Vietnam Green Label after the Decision on certification of Vietnam Green Label is expired. Three (03) months before decision is expired, enterprise shall submit dossier of registration of re-certification
- b) There is a change in design and manufacture of product to which those changes influence to the satisfactory of criteria of Vietnam Green Label.
- 2. Procedures of a re-registration and re-certification shall be carried out in accordance with the registration for a first certification of Vietnam Green Label.
- 3. In case the Decision on certification of Vietnam Green Label is still valid but there is a change in the criteria of Vietnam Green Label, then the enterprise does not require to do re-registration; in case there is only change in brand name of product, then the enterprise does not also require to do re-registration but to send a notification on this change to the Vietnam Environment Administration.

Article 11. Labelling of Vietnam Green Label

- 1. After having a Decision on certification of Vietnam Green Label, the enterprise shall do labelling of Vietnam Green Label for product being certified.
- 2. The enterprise shall choose one of forms for labelling Vietnam Green Label on products or packages of products being certified with the Vietnam Green Label as follows:
- a) Sticking;
- b) Drawing;
- c) Clipping;
- d) Engraving;
- e) Printing.
- 3. Dimension and colors of the Vietnam Green Label shall be fixed on products in accordance with Annex 4 which is enclosed to this Circular.

The position for fixing the Vietnam Green Label is self-designed, decided by enterprise to be visible but not affect to information indicated on goods labels as prescribed by law

- 4. Labelling of Vietnam Green Label is strictly forbidden in the following cases:
- a) The validity of the Decision on certification of Vietnam Green Label is expired.
- b) The Vietnam Green Label is printed wrongly in comparison with its model;
- c) Labelling of Vietnam Green Label on products which were not products registered and granted with the Decision on certification of Vietnam Green Label.

Article 12. Supervision of the use of Vietnam Green Label

- 1. Periodically once a year, the enterprise which was granted with the Decision on certification of Vietnam Green Label, shall be responsible for reporting quantities of manufactured and traded products being labelled with Vietnam Green Label to the Vietnam Environment Administration for summarization.
- 2. The Vietnam Environment Administration shall coordinate with other relevant units to carry out inspections or tests on typical samples of products being labelled with Vietnam Green Label in cases there are suspected signs or complaints. Enterprises shall only pay fees for inspection or testing on typical samples of products being labelled with the Vietnam Green Label in cases the statements on inspections or testing documents conclude that those enterprises violated the criteria of Vietnam Green Label.

Article 13. Withdrawal of Decision on certification of Vietnam Green Label

- 1. An enterprise shall be withdrawn its Decision on certification of Vietnam Green Label when it violates one of following cases:
- a) The enterprise violates provisions on making assessment reports;
- b) An enterprise violates the criteria of the Vietnam Green Label;
- 2. An enterprise shall not be considered for being granted the Vietnam Green Label within two (02) years since the date of the Decision on withdrawal is effective.

Chapter 3.

IMPLEMENTATION PROVISIONS

Article 14. Organization of implementation

- 1. The Ministry of Natural Resources and Environment shall assign the Vietnam Environment Administration to organize assessments on dossiers of registering, certifying Vietnam Environment Label; to guide, check, supervise and speed up the implementation of this Circular.
- 2. All relevant Ministries, ministerial-level agencies, government-attached agencies, People's Committees of all levels, organizations and individuals shall take responsibilities for implementation of this Circular.

Article 15. Implementation effect

This Circular is effective from 15 January 2014.

During implementation process of this Circular, if there is any problem or difficulty, it is suggested that state agencies, organizations or individuals to promptly report to the Ministry of Natural Resources and Environment for consideration and settlement./.

FOR MINISTER
DEPUTY MINISTER

Bui CachTuyen

APPENDIX 1

REGISTRATION FORM FOR PRODUCT CERTIFICATIFIED WITH VIETNAM GREEN LABEL (Issued with the Circular 41/2013/TT-BTNMT dated December 2, 2013 by the Minister of Natural Resources and Environment)

AGENCY COMPANY NAME	SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness
Number:	Date:
To: Vietnam Environment Administration	
	dated December 2, 2013 by the Minister of Natural ares for certification of ecological labels for environment –
Company Name:	
Name of representative: Positio	n of Representative:
Address of Headquarters:	
Telephone Number:Fax Number:	Email:
	to evaluate and certify (re – certify) that the product(<i>the</i> e Vietnam Green Label criteria - NXVN: (Criteria code).
Dossier for registration of Vietnam Green Label	includes:
1)	
2)	
We hereby declare to comply with and be boun Environment if our application for the Vietnam	d by Regulations of the Ministry of Natural Resources and Green Label is successful.

REPRESENTATIVE OF COMPANY (Signature, name and seal)

- **Recipients:** Same as above;
- Recorded:

APPENDIX 2

EVALUATION REPORT FORM ON ENVIRONMENTAL PROTECTION ACTIVITIES OF COMPANY (Issued with the Circular 41/2013/TT-BTNMT dated December 2, 2013 by the Minister of Natural Resources and Environment)

EVALUATION REPORT ON ENVIRONMENTAL PROTECTION ACTIVITIES
PART I. GENERAL INFORMATION
1. Company Name:
2. The name of the holding company/agency (if applicable):
3. Staff being responsible for environmental tasks:
Full name:
Position:
Qualification:
Mobile phone number:Fax number:Email:
4. Location of business activities: (existing production and business sites)
Ward/commune (N ⁰ , if any):
County/District/ City:
Province/City:
Located in the industrial park/industrial and export processing zones:
Postal address (if different from the above address):
Ward/commune (N ⁰ , if any):
County/District/City:
Province/City:
5. Company website (if any):
6. Number of existing employees:
- Number of full time employees:
- Number of part time employees (total month/person for the entire year):
7. Certificate of Business Registration: N ⁰ datedgranted by
(If there is a change in the certificate of business registration, please specify)
8. Business activities licensed:
9. Your company has annually implemented the monitoring, evaluation and reporting on environmental protection performances?
1. Yes □ 2. No □
10. Your company has on your own elaborated your environmental report or hired advisory unit to prepare? In the case of hiring advisory unit, please specify the following information:
Name of advisory unit:
Contact address:

Operating license number:dated granted by

PART II. GENERAL INFORMATION ON IMPLEMENTATION OF ENVIRONMENTAL PROTECTION

LEGISLATION

1. The Decision approving the Environmental Impact Assessment Report or Certificate of environmental protection commitment or Decision approving the specific environmental protection scheme:

Number	:dated				
Approvi	ng Agency confirm:				
-	attach copy of the approved Environmenta on commitment and the official written co	-	_		
Impact	company has completely complied with Assessment Report or Environmental paion Scheme:				
1.Yes □	2. No □				
Frequen	ncy of monitoring?				
□ Month	nly 🗆 Quarterly 🗆 Annually				
Assessn	company has complied with the commi nent Report or Environmental protectio ion Scheme in terms of discharge of was	n commitm			-
1.Yes □	2. No □				
wastewa	attach copies of documents relating to com ater: permit to discharge wastewater into v ed wastewater discharge of the company to	water source	s, or contrac	t on condition	ns of the
5. Your	company has generated hazardous was	te:			
1.Yes □	2. No □				
If yes, pl	ease provide the following information here	:			
Registra	tion of hazardous waste generator grated	by dated		;	
Code ma	anagement of hazardous waste:				
(Please	attach the copy)				
PART II	I.SPECIFIC INFORMATION ON ENVIRON	MENTAL PR	OTECTION	PERFORMAN	CE
1. Reso	urces Consumption				
1.1.Ene	rgy consumption of company:				
STT	Category	Unit	A	Annual consu	mption
			Previous Year	Reporting year	Forecast for following year
1	Electricity	mWh			
2	Gas	mWh			
3	Other fossil fuels (coal, DO oil and other types of FO)				
4	Total expenditure for annual energy consumption	VND			
1.2. You	r company has applied the energy saving	g plan or pro	ogram:		
1.Yes □	2. No □				
1.3. You	r company has applied the clean fuels us	se plan or pr	ogram:		
1.Yes □	2. No □				
	ections 1.2 and 1.3), please describe the placessed the economic efficiency thank to this				

the Appendix of this Evaluation Report).

2. Water Consumption

2.1. Water consumption of the company:

STT	Category	Category Unit Purpose of		Annual consumption			
			use	Previous Year	Reporting year	Forecast for following year	
1	Clean Water	M ³					
2	Groundwater (self-exploit) *	M ³					
3	Surface water (self-exploit) **	M^3					
4	Total expenditure for annual water consumption	VND					

(*), (**) Permits of exploitation (underground or surface water) granted by....... dated.......(if any)

3. Volume and measures of storage and use of all kinds of raw materials

3.1. Raw materials are natural resources:

STT	Туре	Purpose	Measures of	Unit	Volume of use			
		of use	storage and use		Previous year	Reporting year	Forecast for following year	
1	Raw material type 1							
	Raw material type n							

3.2. Other raw materials (excluding the chemicals)

STT	Туре	Purpose	Measures of	Unit	Volume of use			
		of use	storage and use	_		Previous year	Reporting year	Forecast for following year
1	Raw material type 1							
	Raw material type n							

Please assess (refer to the Section 3.1 and 3.2) the advantages and disadvantages related to resource savings, the safety of the environment and worker health when implementing the measures for storage, preservation and the use of all types of existing materials used in your company (please separately indicate in form of the Appendix of this Evaluation Report).

4. Volume and measures of storage and use of all types of chemicals

4.1. General chemicals:

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STT	Name	Purpose	Measures of	MSDS (*)	Unit	,	Volume of use		
		of use	storage, preservation and use			Previous year	Reporting year	Forecast for following year	
1	Chemicals 1			Yes/No					
	Chemicals n								

(*) MSDS: Material safety data sheet (prepared in accordance with International Regulations)

4.2. Chemicals on the list of hazardous substances:

STT	Name	_	-	Measures of	MSDS (*)	Unit		Volume of	use
		hazardous substances		storage, preservation and use			Previous year	Reporting year	Forecast for following year
1	Chemicals 1				Yes/No				
	Chemicals n								

(*) POP: ozone depleting substances

4.3. Chemical substances on the booklet of toxic substances

STT	Name	Group/Booklet	Purpose	Measures of	MSDS (*)	Unit		Volume of	use
		of toxic substances	of use	storage, preservation and use			Previous year	Reporting year	Forecast for following year
1	Chemicals 1				Yes/No				
	Chemicals n								

Please assess of the advantages and disadvantages related to chemical safety work in your company (please separately indicate in form of the Appendix of this Evaluation Report).

5. Source and volume of generation and measures of prevention and treatment of solid waste

- **5.1. The total amount of solid waste:**(tons/month)
- *5.2. The list of solid waste generated:*(Please list all kind of solid waste generated in the production)
- a) Sorting at source: Yes \square No \square
- b) Reuse: Yes □No □

(If any, please specify the reuse rate)

- c) Collection:
- Self collect □
- Sign contract with unit having function of collection \square
- Sign contract with unit not having function of collection $\ensuremath{\square}$
- d) Transport:
- Self transport□
- Sign contract with unit having function of transport $\ensuremath{\square}$
- Sign contract with unit not having function of transport \Box
- e) Treatment:
- Self-treatment: Having permit of treatment Not having permit of treatment
- Sign contract with unit having function of treatment \Box
- Sign contract with unit not having function of treatment \square
- 6. Source and volume of generation and measures of prevention and treatment of wastewater
- 6.1. Increase the volume of wastewater flow discharged into the general system:
- Highest level:....m³/ day
- Lowest level:... m3/ day
- Annual Average level:.... m³/ day

6.2. Composition of wastewater:

STT	Parameters (*)	Esti	Estimated loading capacity					
		Unit	Values before treatment	Values after treatment	Measures			
1	рН							
2	BOD							
3	COD							
4	TSS							
5	Mineral oil							
6	Vegetable oil							
7	Heavy metal							
8	Total dissolved solids							
	Other substances							

^(*) Please list the components in wastewater discharged of your company that having discharged limits according to the TCVN applied to type of wastewater of enterprise.

6.3. Your company has self-monitored wastewater flow:

1. Yes □ 2. No □

6.4. Your company has self-monitored the components of wastewater:

1. Yes □ 2. No □

6.5. Monitoring criteria of wastewater:

STT	Criteria	Unit	Frequency of monitoring
1			
2			

6.6. Your company has completely paid the environmental protection fee for wastewater:

1. Yes □ 2. No □

7. Source and volume of emissions and measures of prevention and treatment of emission

7.1. Total volume of all kinds of emissions (ton/year):

Equivalent to CO₂(tons/year):

7.2. Composition of emissions:

STT	Parameters (*)	Source	Ann	Annual volume of emissions		
			Unit	Values before treatment	Values after treatment	measures
A	Steam, Gas					
1	СО					
2	CO ₂					
3	NO_x					
4	SO ₂					
5	H ₂ S					
6	Solvents					
7	Acid					

STT	Parameters (*)	eters (*) Source Annual volume of emissions			Treatment	
			Unit	Values before treatment	Values after treatment	measures
A	Steam, Gas					
1	СО					
2	CO ₂					
3	NO _x					
4	SO ₂					
5	H₂S					
6	Solvents					
	Pesticides					
В	Dust					
	PM10					
	PM2.5					
	Silica					
С	Smoke					

^(*) Please list the components in emissions of your company that having emission limits according to the TCVN applied to type of business.

7.3. Your company has self-monitored the emissions:

1. Yes □ 2. Not□

7.4. Monitoring criteria for emissions:

STT	Criteria	Unit	Frequency of monitoring
1			
2			

8. Source, level and remedial measures for noise pollution

8.1. Your company has self-monitored the noise:

1. Yes □ 2. Not□

8.2. Monitoring criteria for noise:

STT	Criteria	Unit	Frequency of monitoring
1			
2			

9. Risks and measures to prevent explosions and fires

Please identify hazards and describe the preventive measures. Self-assess the advantages and disadvantages related to prevention of explosions and fires in your company.

10. Risks and measures to prevent environmental incidents

Please identify hazards and describe the preventive measures. Self-assess the advantages and disadvantages related to prevention of environmental incidents in your company

11. Risks to the employees' health and controlling measures

Please identify hazards and describe the preventive measures. Self-assess the advantages and disadvantages related to prevention of negative environmental impacts to the employees' health in your company.

12. Expenditures for environmental protection

Unit: million VND

STT	Category	Previous Year	Reporting year	Forecast for following year
1	Total annual revenue			
2	Total taxes paid to the State			
3	Total expenditure for environmental protection, including:			
	Energy savings			
	Emission treatment			
	Wastewater treatment			
	Solid waste treatment			
	Self-monitoring activities			
4	Spending on health care			

PART IV. IMPLEMENTATION PLAN FOR THE UPCOMING YEAR TO MAINTAIN AND IMPROVE ENVIRONMENTAL QUALITY

1. Plan to improve and enhance the efficiency of resource use

- 1.1. Energy Consumption
- 1.2. Water Consumption
- 1.3. Fuel savings

2. Mitigation Plan for

- 2.1. Solid waste
- 2.2. Waste water
- 2.3. Emissions

3. Plan for prevention and response to environmental incidents

- 3.1. Explosive incidents
- 3.2. Other incidents

We hereby declare that the information in this report is completely accurate.

REPRESENTATIVE OF COMPANY

(Signature, name and seal)

APPENDIX 3

DECISION FORM FOR CERTIFICATION OF VIETNAM GREEN LABEL PRODUCT

(Issued with the Circular 41/2013/TT-BTNMT dated December 2, 2013 by the Minister of Natural Resources and Environment)

MINISTRY OF NATURAL RESOURCES
AND ENVIRONMENT
VIETNAM ENVIRONMENT
ADMINISTRATION

SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness

Number:/ QD-TCMT

Hanoi, date

DECISION

Certifying product meeting the Vietnam Green Label criteria DIRECTOR GENERAL OF THE VIETNAM ENVIRONMENTADMINISTRATION

Pursuant to the Decision 132/2008/QD-TTg of September 30, 2008 of the Prime Minister defining the functions, tasks, powers and organizational structure of the Vietnam Environment Administration of Ministry of Natural Resources and Environment;

Pursuant to the Circular 41/2013/TT-BTNMT of December 2, 2013 of the Minister of Natural Resources and Environment providing procedures for certification of ecological labels for environment - friendly products;

At the registration dossier for certification of Vietnam Green Label of the company......

At the proposal of the Director of Department of Policy and Legal Affairs,

DECISION:

Article 1. Certify that the product ... (name of product brand)of(name of company) meeting Vietnam Green Label criteria.

Headquarters located in..... Telephone number......, fax.....,number.....,email:

Article 2......(*Name of company*) shall implement and maintain the measures to ensure the product to meet the Vietnam Green Label criteria as registered and certified.

Article 3. This Decision shall take effect within three (03) years from the signing date.....

Director of Department of Policy and Legal Affairs, Chief of General Office of Vietnam Environment Administration, Heads of functional units, Heads of.... (name of company) shall implement this Decision. /.

DIRECTORGENERAL (Signature, name and seal)

Recipients:

- As mentioned in Article 3;
- Department of Natural Resources and Environment.... 15
- Recorded: VT, Vietnam Green Label Office.

¹Department of Natural Resources and Environment of the Province where the company's manufacturing facility and headquarters are located.

MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT **VIETNAM ENVIRONMENT ADMINISTRATION**

CERTIFICATES Product meeting the Vietnam Green Label Product: Company Name: Address: Legal representative: Certification Code:..../QD-TCMT-... Validation date Hanoi, date **DIRECTORGENERAL** (Signature, full name and seal)

(Note: The background with the logo "Vietnam Green Label")

APPENDIX 4

VIETNAM GREEN LABEL LOGO

(Issued with the Circular 41/2013/TT-BTNMT dated December 2, 2013 by the Minister of Natural Resources and Environment)

- 1. The Vietnam Green Label icon is illustrated with a bird in a nest, surrounded by trees.
- 2. The Vietnam Green Label icon is attached to different sizes of various products certified the Vietnam Green Label. Therefore, the size of the icon can change to suit each type of product. The accepted smallest size has a diameter of 1.5 cm.

Codes of the products and services certified with Vietnam Green Label is located beneath the icon. 3. Color parameters:

