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## **PROVINCIAL GREEN INDEX INITIATIVE**

2023-2028 | IMPLEMENTER: VIETNAM CHAMBER OF COMMERCE AND INDUSTRY |  
PLANNED BUDGET: \$3,800,000

As Vietnam becomes more integrated into the global economy, environmental sustainability is vital for business competitiveness and continued growth. Provincial governments play an increasingly important role in Vietnam's green growth trajectory, especially given the recent decentralization of environmental protection responsibilities to local authorities. The U.S. Agency for International Development (USAID) and Vietnam Chamber of Commerce and Industry (VCCI) are building on their 20-year partnership and the long-standing Provincial Competitiveness Index to now do the Provincial Green Index (PGI), a new tool to spur green economic growth. The PGI will promote provincial action that shapes eco-friendly business environments and attracts green investment.

### **SHAPING LOCAL ENVIRONMENTAL POLICY WITH PRIVATE SECTOR INPUTS**

Vietnam's Provincial Competitiveness Index (PCI), implemented by VCCI and supported by USAID since its inception in 2005, has contributed to significant improvements in Vietnam's business enabling environment. Building on this successful model, the PGI evaluates and ranks provinces' environmental policies from the perspective of businesses to inform local policy development, promote an environmentally-friendly business ecosystem, and help

businesses identify provinces that are facilitating green operations. The PGI is conducted as part of the annual PCI survey of approximately 10,000 domestic and foreign private enterprises.

## **FOSTERING PUBLIC-PRIVATE DIALOGUE ON BEST PRACTICES**

Throughout the year, USAID and VCCI foster public-private dialogue on PCI and PGI findings by convening provincial governments and businesses at regional workshops to discuss policy recommendations and best practices. In addition, USAID strengthens VCCI's capacity as a key advocate for regulatory reform through building a network of experts to bring in technical expertise in related fields.

## **IMPACT**

The PGI will inform local policymakers and demonstrate the connection between economic development and environmental sustainability and how these two factors together create lasting growth. Like the PCI, the PGI is an evidence-based tool to inform and catalyze governance reforms at the national and provincial levels and generate wide recognition of the results.

## **TARGETED LOCALITIES**

The PGI is implemented at the national level, with VCCI providing regional workshops each year to northern, central, southern, and Mekong Delta provinces.