

Financing of Cleaner Production

The project “Strategies and mechanisms for promoting cleaner production investments in developing countries,” was launched in Hanoi on 6 September 2000, with stakeholders such as other relevant ministries and governmental agencies, representatives of the financial and business community and selected international development partners. The UNEP Division of Technology, Industry and Economics, in cooperation with the Department of Science, Education and Environment of the Ministry of Planning and Investment of Vietnam, will carry out the project.

The project, with a duration of three years, includes awareness and capacity-building activities for policy makers, financial institutions and the business community. It will increase the demand for creditworthy cleaner production investments. It will also lead to a situation where preventative strategies become an operational procedure and approach; not only in industry and government, but also in the financial sector, in full recognition of the con-

siderable economic advantages that this approach brings to enterprises and the national economy.

Despite the recognised benefits of the cleaner production strategy, securing investment funds is seen as a major constraint in making it a wide practice. Environmental risks are often undervalued in a project assessment process and many environmental management costs are hidden in a company’s overhead account.

Vietnam subscribes to protecting the global environment, including the adoption of sustainable production and consumption practices. During the ASEAN (Association of South East Asian Nations) forum on the environment in 1999, the Minister of Science, Technology and Environment, on behalf of the government of Vietnam, signed the International Declaration on Cleaner Production.

The Vietnam National Cleaner Production Centre was established in 1998 to promote the adoption of a cleaner production strategy by industrial enterprises. The new project will add financial strength to these activities. (MJ)

