



**PARTNERS  
FOR WATER**

# Country Update Vietnam

March 2021

## Foreword

Dear members of the Vietnam network,

We hereby present the first Country Update for Vietnam in 2021. The Country Update starts with an overview of the Vietnam Delta Team Annual Plan for 2021. This is followed by a quick look at how Vietnam's economy has been faring and the near-term outlook. During 4Q20, the Dutch Embassy in Hanoi launched an Agro-Water Challenge, encouraging Dutch organisations to submit concepts for sustainable and innovative solutions to the Mekong Delta's challenges. We also look back at a successful ASEAN5 virtual trade mission in 4Q20 in which Vietnam played an active role, including its own mission within a mission to the Mekong Delta. One of the last events was a joint initiative by four Top Sectors announcing the establishment of a Mekong Delta Business Forum to promote Vietnamese and Netherlands business cooperation. Finally, we also elaborate on the proposed Mekong Delta Agricultural Transformation Plan. We welcome any suggestions on topics for future editions of the Country Update, so please don't hesitate to get in touch.

We intend to organise a Vietnam Platform meeting in the coming period (exact date to be announced in due course) and look forward to 'seeing' you virtually on that occasion.

Warm regards,

Simone Sweerts  
Project Manager Asia  
Netherlands Water Partnership

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### 1. Annual Plan 2021

The year started with the very first and highly successful all digital Climate Adaptation Summit, hosted by the Netherlands, in January. Vietnam, as a convening country of the Global Commission, was represented at top level by Prime Minister Phuc who addressed attendees at the opening session. Vietnam, in cooperation with the Dutch Embassy, also organised a successful side event on water and climate adaptation in Vietnam.

Vietnam, with its sights set on becoming an upper middle-income country by 2030, is increasingly focusing on climate adaptation and mitigation. However, food security and economic development issues continue to have the upper hand. As a result of very strict measures taken over the past year, Vietnam has had very few Covid-19 cases and its economy was among the best performing in Southeast Asia in 2020. Its restrictions entailed Vietnam in effect closing its borders to the outside world. While this has impacted some projects, the local presence of active players in Vietnam, including Deltares, Royal HaskoningDHV (RHDHV) and Arcadis, and the increasing local embedding of projects, has meant continued progress for Partners for Water projects. Deltares is collaborating with the Vietnam Disaster Management Authority through the Partners for Water Programme. Further, RHDHV is working with local partners on water retention as part of the collaboration between the Government of the Netherlands and the Water Resources Institute of the Government of Vietnam. The project on land subsidence and groundwater use, financed by Partners for Water and executed by Arcadis and partners, has made significant progress on this important topic. Particular emphasis is given to the associated governance mechanisms and to supporting Vietnamese local governments translate the requirements in national decrees to the provincial context. A consortium led by Deltares is also working on shallow aquifer infiltration in the Mekong Delta as a solution for the prolonged dry season and associated uncertainties related to water availability.

The key strategic developments are the Mekong Delta Regional Master Plan, in which RHDHV has an advisory role, and the Agricultural Transformation Plan, in which the Ministry of Water and Infrastructure (I&W) and the

Ministry of Agriculture (LNV) collaborate closely in advising Vietnam on the sustainable agricultural development of the Mekong Delta.

Twenty twenty-one is the Partners for Water Programme's last year. The focus this year will be on supporting coastal and river erosion, research on land subsidence and forging a strategic collaboration with the World Bank that builds on previous experiences with the Water as Leverage programme. The goal of the collaboration is to improve the pre-feasibility and feasibility studies of World Bank loans through technical cooperation, combined with using elements from the working methodology of the Water as Leverage programme.

## 2. Vietnam Economic Update

With a government that responds promptly and decisively, and a civil society that is extremely careful and acts responsibly, and by drawing on science, Vietnam has largely avoided Covid-19. While the economy was hit, it continued to grow by over two percent. The country is expected to recover rapidly in 2021, especially since it can benefit from the US-China trade war. The Government's Covid-19 response resulted in its increased legitimacy. This played a role in the Vietnam Communist Party's Party Congress, a crucial meeting that takes place every five years. The 13<sup>th</sup> Party Congress also approved the new 10 year Socio-Economic Development Strategy and the new five year Socio-Economic Development Plan. These set the political direction for the time to come. In the Strategy and Plan, the Government committed to further enabling a conducive business climate. Civil rights and land rights are enshrined in law but are not always adhered to, which makes it very important that Dutch businesses respect the civil rights of the local populace according to Dutch law and the Universal Declaration of Human Rights.

## 3. Mekong Delta Agro-Water Contest



In October 2020, the Dutch Embassy in Hanoi launched a Mekong Delta Agro-Water Contest challenging Dutch organisations to submit sustainable, smart and innovative solutions to the Delta's numerous agro-water challenges. The Contest identified five themes of interest: 1) water efficiency; 2) saline water; 3) flood-based systems; 4) water storage systems; and 5) improving water quality. The very enthusiastic response of 25 proposals is illustrative of both the strong Dutch interest in Vietnam and the wide range of solutions that the Netherlands, in cooperation with local parties, is able to offer the water-agrifood nexus.



The winners of the contests were:

- 1) **Water Efficiency.** The Mekong Water Custodian – a consortium of four Dutch-Vietnamese partners that propose a serious game on shared decision-making for regional water plans in the Mekong Delta to enhance sustainable agricultural practises. The Dutch organisations include Carthago Consultancy and IHE Delft.
- 2) **Saline water.** Desalination of the root zone by deep drainage to improve crop production – a consortium of four Dutch-Vietnamese partners proposing to use drainage techniques to stop and reverse the salinisation of the soil and increase agricultural crop yields in coastal regions of the Mekong Delta. The Dutch organisations include Witteveen+Bos, Deltares, and Barth Drainage.
- 3) **Flood-Based Systems.** Let It Float, Let It Hold, Let It Grow – a consortium of six Dutch-Vietnamese partners proposing sustainable floating and water storage solutions for agriculture, based on amphibious structures of recycled plastic for flood prone as well as drought prone areas. The Dutch organisations include Clear Rivers, HZ University of Applied Sciences, HAN University of Applied Sciences.
- 4) **Water Storage Systems.** Water from Heaven – a consortium of six Dutch-Vietnamese partners proposing a sustainable water-harvesting, treatment and storage concept. The Dutch organisations include Water Innovation Consulting, Wageningen University and Research, PB International, I3 Innovative Technologies, and the University of Utrecht.
- 5) **Improving Water Quality.** Smart Integrated Surface/Ground Water Supply Management – a consortium of four Dutch-Vietnamese partners proposing solutions to significantly reduce land subsidence rates by improving water demand and supply systems, specifically by reducing saline water intrusion in groundwater and surface water systems through the smart use of freshwater resources. The Dutch organisations include Deltares and Witteveen+Bos.

The winners were officially announced at the Sustainable NL-Vietnam Business Event for the Mekong Delta (see below) on 25 January and on social media (link: <https://www.youtube.com/watch?v=SwRbT7HZWhE&feature=youtu.be>). The final step is for the winners to further work out their concepts and turn them into business proposals. A digital publication will also be developed to give exposure to all contest applicants.

#### 4. Looking back at ASEAN5 and what lies ahead



From 12 October to 11 December 2020, The Netherlands Ministry of Foreign Affairs and the Netherlands Enterprise Agency (RVO) hosted an experimental virtual mission to the five countries in Southeast Asia with the biggest trade potential, namely: Vietnam, Indonesia, Malaysia, Singapore and Thailand. Over 60 events across the Agrifood, Water and Circular Economy/Waste sectors were organised for a community that grew to nearly 700 participants from the Netherlands and the focus countries. NWP worked closely with the Dutch Embassies to put together the water sector programme. The programme included a mix of ‘doing business in’ and thematic sessions, which featured themes such as Nature-Based Solutions and Land Subsidence, Digital Water and Water Technology, and the Water-Agri nexus. While ‘live’ networking was clearly missed, the digital nature of the mission also offered new opportunities otherwise not easily accessible in a ‘live’ version, such as: insights in the region; the ability to compare/contrast; easy accessibility to other participants; and, the ability to watch recordings of all sessions.

##### Mekong Delta Mission

In addition to Sensor and Deltares discussing some of their activities in Vietnam and the Dutch Embassy outlining some of the challenges and opportunities in Vietnam at the water kick-off sessions on 17 November, there was a Vietnam-specific Water Technology session and a focused mission to the Mekong Delta organised by the Dutch Embassy in Vietnam from 1-4 December. This mini mission gave participants an idea of the overall business opportunities that may arise over the next few years from the Mekong Delta Integrated Regional Plan. The Plan focuses on four integrated areas: one, sustainable agricultural value chain development (move to sustainable rice production as well as fruit, vegetables and aquaculture); two, transport; three, water management (flood risk management, water quality, drinking water, storage); and, four agro-industrial hubs (for value-added processing). Dutch entrepreneurs in Vietnam shared their experiences and pointed to the opportunities and challenges to be aware of. The sessions also dived into cross-sectoral opportunities in the agri-water nexus and the agricultural and the circular economy/waste sectors. The links to the different Mekong Delta Mission webinars are listed below.

- Webinar 1 ( Day 1: Business opportunities in the Mekong Delta)  
<https://drive.google.com/file/d/1enna7obQsoWalfLj7uH1VP9QAiqazA6l/view?usp=sharing>



- Webinar 2 (Day 2 – Sustainable Agricultural value chain development in the Mekong Delta)  
[https://drive.google.com/file/d/1SIBgSfVWUbd6qI\\_koynPazR0QaxSmg/view](https://drive.google.com/file/d/1SIBgSfVWUbd6qI_koynPazR0QaxSmg/view)
- Webinar 3 (Day 2: Agriculture and the Circular Economy)  
<https://drive.google.com/file/d/12tmlVElta82LQtge8wmp16PgezzwpRrT/view>
- Webinar 4 (Day 3: Agriculture and Water: an integrated approach)  
<https://drive.google.com/file/d/12tmlVElta82LQtge8wmp16PgezzwpRrT/view?usp=sharing>

### What lies ahead?

Good to know: although the ASEAN5 virtual mission came to a close in December, the overwhelmingly positive response led to the decision being taken to continue the Business Platform Southeast Asia (<https://virtual-mission-asean5.b2match.io/>) through which to share local market information, business opportunities, and connect with business partners in the Netherlands and Southeast Asia. Between March and July 2021, a number of events will be organised, starting with a ReMeet 2.0 session on 9 March to share the latest developments related to the three tracks of the ASEAN5 mission. In contrast to the Mission in 4Q20, the Business Platform is now open to all interested parties. The calendar of events will be posted on the link provided above and will also involve delving deeper into the central themes of the mission.

## Establishment of the Mekong Delta Business Platform



The last day of the mini mission was dedicated to a Sustainable Netherlands-Vietnam Business Event for the Mekong Delta – which was eventually moved to a ‘live’ event on 25 January 2021 – in which a number of new initiatives were announced. One of these was the proposed establishment of a Netherlands-Vietnam Business Platform to identify and stimulate business development in the Mekong Delta and develop Public Private Partnerships (PPP). The initiative involved the signing of a Letter of Intent between the Netherlands Ministry of Agriculture, Nature and Food Quality (LNV), four Top Sectors (Water, Logistics, Agrifood, and Horticulture) and the Vietnam Chamber of Commerce Can Tho. In addition, a host of PPPs were launched and the winners of the Mekong Delta Agro-Water Contest were announced. All the above illustrate the strong momentum in the bilateral relationship and the desire to do business in the Mekong Delta and Vietnam more generally. For more details on the Business Event, click [here](#). The Business Platform will be officially launched in 2Q21 (exact date will be announced shortly).

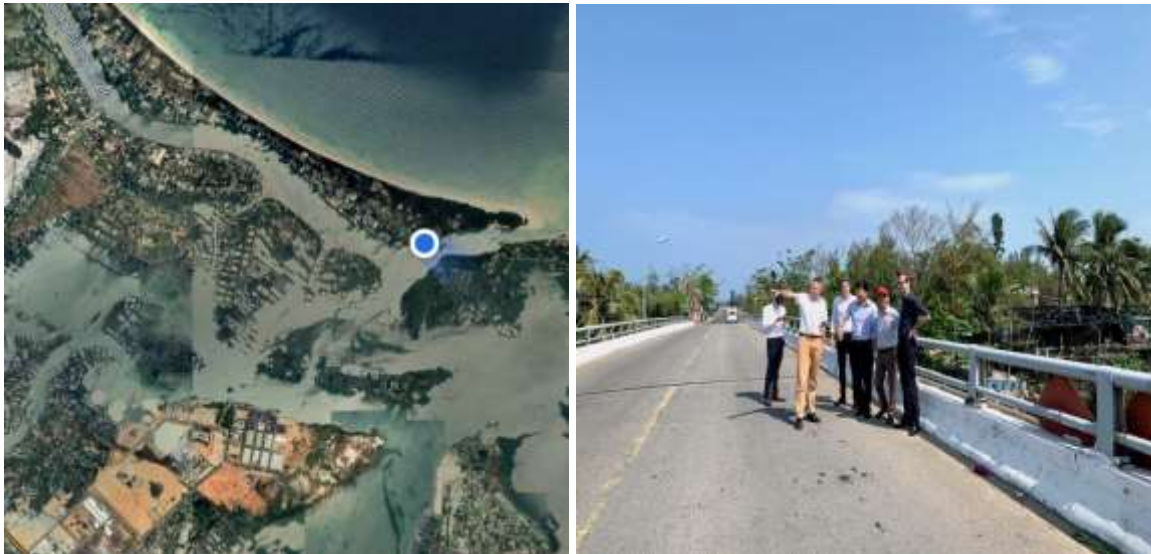
## 5. Mekong Delta Agricultural Transformation Plan

As mentioned briefly in the previous Vietnam Country Update, significant developments are happening on Vietnam’s Agricultural Transformation front, which is now transitioning to an early implementation phase. Netherlands partners are playing an active role in advising the Government and ensuring that the first phase of the proposed Agricultural Transformation Plan (ATP) is strongly embedded in Vietnam’s New Rural Development Programme, the next phase which runs from 2021-2025.

The objective of the ATP is to support the long-term plan developed by the Ministry of Agriculture and Rural Development (MARD) for sustainable agricultural development in the Mekong Delta, in response to severe climate-change related challenges faced by the Delta. Part of the ATP is to develop sustainable value chains for fruit and vegetables, aquaculture and livestock in particular, as part of a food systems approach. It will seek strategic and technical support from the Netherlands. This support can come from the private sector or from Netherlands knowledge institutes in the agricultural and water sectors. The ATP is not just another project – it is an innovative steering mechanism based on a multi-stakeholder approach that will coordinate and facilitate the process. Neither is it just a Netherlands-Vietnam programme – it is much broader and requires the participation of multiple international partners to be successful. The focus is not only on business development, but on sustainable value chain development based on ecological and sustainable principles and an integrated nexus

approach. Nevertheless, it also envisions further business opportunities between The Netherlands and Vietnam. The previously mentioned Mekong Delta Business Platform will also further facilitate these opportunities.

## 6. Cooperation with Quang Nam (Phase 1)



The province of Quang Nam is similar to the other provinces in the South Central Coastal region of Vietnam (Binh Dinh, Phu Yen and Khanh Hoa) in that it is a coastal region facing particular challenges related to heightened risks of climate change and natural disasters. Based on the recent World Bank's analysis, 'Resilient Shores: Vietnam's Coastal Development Between Opportunity and Disaster Risk', coastal flooding remains a threat to Quang Nam, Binh Dinh, Phu Yen and Khanh Hoa, but more serious risks come from pluvial and fluvial flooding. To address these challenges, the Government of Vietnam is partnering with the World Bank to develop and implement the Integrated Resilient Development Project (IRDP). Part of this project will focus on the Truong Giang River in the province of Quang Nam. The Government of the Netherlands, through the Partners for Water Programme, is cooperating with both the Vietnamese Government and the World Bank to further enrich the project development. RHDHV has been selected to execute the first phase of this support. The goal is to offer alternative approaches and technical solutions to riverbank protection through the formulation of conceptual designs – if possible, nature-based solutions – related to the Pre-Feasibility stage of Quang Nam's IRDP project. Further, another important goal is to develop the first steps of a future integrated development plan for the Truong Giang sub-catchment. The activities within this partnership are built on the working methods developed in both the Partners for Water Programme and Water as Leverage for Resilient Cities Asia.





## 7. Events calendar

We plan to hold a Vietnam Platform Meeting in the coming period (to be announced in due course). A Mekong Delta Forum, in which the private sector will play an important role, will probably be held in September. We will keep you posted once dates and details are available.

Singapore International Water Week 2020 will take place virtually from **20-24 June 2021**.



Vietwater 2021 in Ho Chi Minh City on **10-12 November 2021**



For more information or suggestions for the next Vietnam Country Update, please contact Simone Sweerts, Project Manager Asia: +31 70 304 3700, [s.sweerts@nwp.nl](mailto:s.sweerts@nwp.nl).

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The country update is published by NWP as part of the Partners for Water Programme.