

Sustainable Investment Forum

1. Politburo's guiding view on attracting foreign investment

The current investment policies of Vietnam are formulated, revised and completed under the directions in Resolution No. 50 of the Politburo. Accordingly, Vietnam's point of view in attracting foreign investment must be associated with sustainable development goals set forth very clearly and specifically as follows:

To attract and cooperate with foreign investors selectively, taking quality, efficiency, technology and environmental protection as the main evaluation criteria. Prioritize projects with advanced and clean technology, modern management, high added value, spillover effects, connecting production and supply chains worldwide.

Creating a mix of interests in foreign investment cooperation and connection with the domestic economic sector, in line with the orientation of economic restructuring and the goals of sustainable development and environmental protection.

2. Solutions and priorities of the Government:

a. Investment incentives to attract high and green investment projects; investment in innovation; investment associated with SDGs:

- Law on Investment 2020: Some notable points in Vietnam's newly revised investment-related law can be pointed out that are directly related to the SDGs, such as: (i) investment incentives for industries and sectors using high technology, clean technology, hi-tech agriculture, health care, education... (ii) special investment incentives with attractive tax rates for high-tech projects with participation of Vietnamese enterprises in the value chain, supply chain, or investment in the National Innovation Center.

- Innovation and digital transformation: To ensure sustainable investment, attract investment in the field of innovation, investment in supporting the digital transformation process, digital economy, green economy is absolutely necessary.

Laws on entrepreneurship and innovation have been gradually upgraded and completed; at the same time, continue to research and develop policies to support domestic enterprises to connect with foreign-invested enterprises, improve technology absorption capacity, move towards technological autonomy and participate in global value chains.

- Vietnam National Standards on environment and resources: In order to achieve the SDGs on environment, resources and ensure investment associated with these SDGs, the solution proposed is to institutionalize in the Investment Law the provisions on not considering expansion or extension of operation. for projects using outdated technology, potentially causing environmental pollution and resource-intensive. The review and evaluation of investment projects by the competent agencies will be based on the Vietnam National Standards and the Technical Regulations on products, environmental protection, natural resources, energy saving.

- These 2 standard systems are built, appraised and announced in the direction of prioritization in harmony with international and regional standards. Projects that want to extend their term of operation when the project expires must meet technology and environmental criteria. With this approach, it will both support the implementation of investment screening, attract investment selectively, and also ensure investment attraction associated with the SDGs.

b. Sustainability of human resources for FDI development:

- With the steady growth of FDI inflows every year, labor force in the FDI sector also increases. Besides, in order to receive high-quality FDI inflows and ensure sustainable factors also require Vietnam to be well-prepared in terms of quality and quantity of skilled human resources.

- The Government is also issuing laws and regulations related to the management of Vietnamese employees working for FDI enterprises in Vietnam. These laws and policies also clearly define the responsibilities of foreign investors and enterprises in managing and employing employees during their investment projects.

- On the Vietnamese side, the Government has also introduced policies to improve the capacity of the workforce. In which, prominent are policies to support

FDI enterprises to connect with universities, colleges and TVET programs to create a supply of skilled labor, skills to meet the requirements of investors in specific industries. This policy of supplying labor by “Order”.

- The participation of FDI enterprises will contribute to helping Vietnam towards achieving the SDGs in terms of people, social security, specifically in that the workforce will be better paid, well-trained and have a better life thanks to the benefits that brought by FDI enterprises. On the other hand, FDI enterprises will also benefit from having an abundant and quality labor source, ensuring sustainable, productive and efficient business and production activities.