

	by the targeted institutions and non-state actors.			
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### Lessons Learnt:

An important lesson learnt is that initial awareness raising and creating successful cases at the earlier stage is essential. Once the early adopters show results, then all the neighbouring companies would join and benefit from the action. There are resource efficient, cleaner production initiatives that can easily be implemented at low or no cost with high returns on investments. Simple and no investment cost options will also motivate and create confidence for the company to deploy projects with higher investment costs. For technology upgrades and investments, it is necessary to inform companies on available green financing schemes and preferential loans and support them to access these funds.

Earlier experiences also show that there is often a lack of available data at company, provincial, and national level. Data on the quantities and qualities of resources (e.g. raw materials, wastes, and by-products, energy, and water) is needed before being able to assess the potential for industrial/agriculture symbiosis. Collecting these basic data can be a time-consuming process. Therefore, strengthening resource monitoring at all levels should be a priority.

More generally speaking, experience shows that it is important to align the Action workplan with the workplan of the government to secure political buy-in and ownership. Many bottlenecks that are blocking implementation of RCE initiatives in the targeted sectors go beyond the mandate of the two key ministries (MPI and MARD), therefore it is crucial to engage relevant ministries and public agencies in the implementation of the Action so that they can work together to remove the barriers.

Also, the private sector plays the central role in the transition toward circular economy and they can move fast once they understand the costs and benefits of the transition. Therefore, working with the private sector is inevitable. By building capacity, providing hands-on support to define bankable circular economy projects and supporting access to technologies and finance of economic actors in the two major sectors of the economy (industrial and agriculture-fishery), it would help to improve resource efficiency and decarbonisation of production at a larger scale and provide good cases for further scaling up. The EU and its MS are leading efforts on green transition and many policies adopted by the EU have already impacted or will have impacts on the Vietnamese export sector and other local producers that are participating in the related value chains. Working with the local private sector, which has strong linkages with the EU market, would be a win-win solution, contributing to green transition process of both sides.

Further experience shows that innovation and digitalization can be a game-changer in circular economy and therefore should be supported. Nonetheless, this should be done with due consideration of the corresponding investment in infrastructure, facilities and equipment, and human resources by both the public and the private sector.

As a lesson learned, competence of the contractors/implementing partners is the key success factor of the Action, which in turn demonstrates the quality and credibility of the EU technical cooperation. Therefore it is important that the contractors/implementing partners are selected on the basis of their technical capacity to deliver the Action.

## 3.5 The Intervention Logic

The underlying intervention logic for this action is that IF the participation of non states actors (NSAs) in the decision making process on gender sensitive, responsible and circular economy is increased (outcome 1) and IF uptake of responsible and circular economy practices by NSAs is increased (outcome 2) and IF NSAs are supported in promoting demand for responsible and circular economy products and services (outcome 3) THEN it will help to improve economic, social and environmental performance of business sector and contribute to the development of a climate-neutral, responsible and circular economy in Viet Nam (**impact**).

IF the policy bottlenecks hindering the implementation of gender-sensitive, responsible and circular economy practices by NSAs are identified (output 1.1) and IF the capacity of NSA to contribute to decision-making process on gender sensitive, responsible, circular economy is strengthened (output 1.2), THEN it will help to increase participation of NSAs in decision-making process on gender sensitive, responsible and circular economy (**outcome 1**). This intervention logic is based on the assumption that the government has strong political support to responsible circular economy (RCE) and NSAs are interested and actively participate in policy dialogues on RCE.

IF the capacity of NSAs for implementation of responsible and circular economy practices is enhanced (output 2.1)