



Delegation of the European Union to Vietnam

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PRESS RELEASE

EU launches its new 400 million EUR development cooperation programme in Viet Nam and signs an additional 114 million EUR agreement to support the Health Sector

HANOI – Today, the European Union presented its new "Multi-annual Indicative Programme" (MIP) for Viet Nam, covering the period of 2014-2020, in response to the development challenges the country is facing. It follows the formal announcement by the EU and the Vietnamese Government last 13th October, in connection with the visit of the Vietnamese Prime Minister Nguyen Tan Dung to Brussels.

The EU has affirmed the importance of its bilateral cooperation to Viet Nam, underlying that its bilateral aid package has increased by more than 30% percent as compared to the previous 7-year period. The total amount of 400 million EUR for coming seven years will mainly support Viet Nam's socio-economic development by developing the energy sector and by strengthening governance and the rule of law.

In addition to the launch of the MIP, based on the successful achievements of on-going support, a new agreement to the Health Sector was announced by Mr. Pierre Amilhat, Director for "Asia, Central Asia, Middle East/Gulf and Pacific" – Directorate General for Development and Cooperation, and Mr. Dinh Tien Dung, Minister of Finance of Viet Nam. The new EU Health Sector Policy Support Programme – 2 (EU-HSPSP-2) will support Vietnam's Health Sector reforms and the implementation of plans and projects to roll-out these reforms over the period of 2015-2017, with the total value of 114 million EUR.

In his opening remarks, Mr. Pierre Amilhat, Director for Asia, Central Asia, Middle East/Gulf and Pacific at the EuropeAid Office in Brussels, said *"Vietnam has come a long way in eradicating poverty and raising the standard of living of its population. However, many development challenges still remain. I am pleased to confirm the EU continued, and even stronger support to the country's efforts to grow and raise the quality of life of its citizens"*.

Lotte Centre, West Wing, 24th floor, 54 Lieu Giai, Hanoi, Vietnam

Tel: (84-4) 3941 00 99 - Fax: (84-4) 3946 17 01

e-mail: delegation-vietnam@eeas.europa.eu

Website: http://eeas.europa.eu/delegations/vietnam/index_en.htm

While the previous cooperation programme focused on the areas of health, trade assistance, rule of law and responsible tourism, the new MIP will focus on sustainable energy, governance and the rule of law. Under the MIP 2014-2020, a number of new projects in these fields will be designed and launched over the coming years. In the energy sector, EU support will contribute to a more sustainable energy sector by promoting efficient, clean and renewable energy. Particularly, it targets the remaining 3% of Vietnam population without electricity and commits to create access to electricity for 64,577 households by 2020. In addition, 568,000 rural households will utilize electricity generated from renewable sources by 2020. Under the support to governance & rule of law, the EU will promote democracy, strengthen the legal and judicial systems and support creating an enabling business environment. This will be achieved by increasing access to justice (particularly of women, the poor and vulnerable groups), increase the accountability, transparency and cost-effectiveness of public service delivery and ensuring citizens' effective participation in public governance.

Development assistance in Viet Nam is high on the EU's agenda, the EU being, as a whole, the largest grant donor to Vietnam. The EU is also the second largest trading partner of Vietnam, with on-going negotiations for an EU-Vietnam Free Trade Agreement (FTA) which will further expand the economic ties.

Media Contact: *For further information, please contact Ms Vien Ngoc Bich, EU Delegation in Vietnam, tel: 04-9461783, email: bich.vien@eeas.europa.eu*