

Summary of Polluting Industries Relocation Program in Ho Chi Minh City

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT¹

I. GENERAL INFORMATION

In Ho Chi Minh city, with the existence of industrial production industries/enterprises established from the 1960s, 1970s, the development of many industries and small scale industries, and many service and production units is very various and plentiful in type and branch. These industries/units belong to many economic components, which are managed by the different management branches and levels as the central level, local level and private. According to statistic figures in the 2002, at present, HCMC has 31,105 industries in operation:

- **State-owned industries:** **288 Units**
 - + Belong to the central management level: 129 Units
 - + Belong to the management of city: 159 Units
- **Foreign Investment :** **524 Units**
- **Non state-owned industries:** **30,293 Units**
(in which there are 28,130 small and medium units scatteredly located in HCMC)

The development of these units does not correspond to the economic – social development plan and environmental plan. This causes many adverse impacts to environment and public health as well as economic – social development. At present, there are many polluting industries located in the urban areas and residential areas because the process of urbanization lacks planning or planning is not sensible.

To treat these polluting units, the city has the policy of application of all technical, scientific, economic and social measures by the following forms:

- Investing waste treatment science and equipment, which meet the environmental standards;
- Investing and upgrading science and equipment in aspect of Cleaner Production. This measure has advantage of both enhancing productivity and quality of products and reducing environmental pollution;
- Removing a part or all polluting units out of their operation areas;
- Suspending these polluting units in their operation partly or completely, temporarily or timelessly, or forcing the units to change their production;
- Rehabilitating environment.

II. APPLIED MEASURES

1. For new investment projects:

Supervising and controlling the new investment buildings (in and out of Vietnam) in aspect of environment from the stage of construction license to the stage of checking and taking over with three basic requirements, including:

- The building must be located in the planning area approved by HCMC's People Committee.
- There are environmental pollution treatment measures for the building's operation.
- There are investment and building and putting together of pollution treatment equipment, which corresponds to and has good effect to waste from the building when it is in operation, and meets Vietnamese environmental standards.

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2. For present existing units

- **Heavily polluting units, which have no abilities to overcome or not correspond to the planning:**

The units with the Department of Industry, Ministries, their organisms in charge, districts are considering and proposing measures to carry out the program of removal into the focus industrial zones or to change produced products for the units, which cause extremely toxic and hazardous pollution, are easy to have break – downs, are located in residential areas, have no conditions/abilities to solve environmental issues to meet the regulated standards, or have no abilities to remove due to high costs. The Department of Agriculture and Rural Development is also setting up removal planning for the breeding units in urban areas.

- **Polluting units have conditions/abilities to overcome**

The program of overcoming pollution in HCMC has been carried out in many last years. It is expected that up to the end of the year 2003, the units will install treatment equipment meeting the regulated standards of suspended matter/dust, gases, waste water and noise ...

+ Issue of “Black Book”

For the large scale industrial production branches: the management authorities organized to inventory, synthesized information, analyzed and assessed environmental pollution levels as well as compiled, issued the “Black Book”. The “Black Book” comprises 87 industries/units operating in the following branches: Paper –pulp, textile are dyeing, tannery, detergents, food processing, aquatic product and sea food processing, chemicals, glass, electroplating, and livestock breeding, etc.

Up to now, there are 1/3 of these units have been carried out the measures to solve environmental issues or have been removed to reasonable locations, or changed their products.

+ Receiving and carrying out the “Cleaner Production” project funded by UNIDO. This project sets up the performance models on Cleaner Production in 3 branches: Paper – pulp, textile and dyeing, and food processing.

+ Supporting finance:

Set up the Revolving Fund to support to reduce small – scale industrial and industrial pollution. The conditions for loans : time of each loan: from 3 to 5 years, without interest rate payment within 01 year, interest rate : 0%, management fee: 0.84%/year.

III. GENERAL ASSESSMENT

In general, the polluting industries removal program in Ho Chi Minh City has still many disadvantages because:

- The public involving have not been fully aware of the purpose and substance of “Cleaner Production” measures.
- Lack of synchronous coordination among the involved organizations.
- Lack of the efforts of these units
- Lack of capital
- Economic issue: unstable market, price of natural resources
- Lack of the policy, which encourages, supports and creates equal environment among the units.
- Legal effectiveness is not high.

IV. THE REMOVAL PROGRAM

The purpose of the program:

- Planning and reorganization of the operation of the polluting branches; reorganization of granting business licenses to new investment projects, which belong to the polluting branches.
- Combination of the removal of small scale and small production units to develop large scale units having stable operations and high competitiveness in the global and regional economic integration process.
- Development of industrial zones in HCMC area corresponds to the planning requirements.

The objects of the program:

The objects that participate in this program are the production units having pollution levels exceed the environmental regulated standards and the requirements for economic – social development are defined according to the following criteria:

- Location:

- + Not correspond to the economic – social development master plan of HCMC and of district, and environmental plan of HCMC.
- + Production types cause pollution in large scale, have hazardous waste and are very difficult to have conditions to solve pollution issues for the sensitive areas such as hospitals, schools/universities, or will extremely impact to the public's health when they have break – downs.

- Science and technique

- + Sciences and techniques are obsolete or not synchronous due to renovation in part.
- + There is no pollution treatment system or pollution treatment system is built but is uncompleted, does not meet the environmental standards or following treatment cost will be high so that business operation will not get good result.

- Economic and social issues

- + In the operation process, the unit does not get the good result in aspect of economic. The production of the unit does not get profits or get profits smaller than investment costs for reproduction and environmental improvement, and possibility of supply staff/workers with work is not high or hopeless at a standstill.

It is expected that at the end of the year 2004, the units that are in the list of the polluting units have to solve their environmental issues or have to remove have to finish their plans. From 2005 to the future, whatever breach of environmental pollution due to the industrial production in residential areas the polluting unit will be suspend in its operation.

Some branches are in the removal list :

- Chemical and detergent production polluting in the stages such as blending material, mingling chemicals, spraying and drying, packing; Waste water from production, house – keeping and daily activities contain alkali, surface operation substances, oil and suspended solid.
- Paper production from pulp of bamboo, neohouzeaua and species of bamboo and from fibrous raw materials must complete many stages polluting heavily such as soaking in NaOH and boiling pulp discharge black waste water containing chemicals and having smell; using CaOCl_2 solution to bleach pulp discharges waste water containing chlorine, suspend solid, chemicals; using boiler to dry paper causes smoke and suspended matter pollution and heat pollution. Some units use boilers, which are very old and burn coal, charcoal and wood so more extremely polluting levels.
- Textile and dyeing branch pollutes waste water due to using a lot of coloring chemicals in stage of bleaching, washing up, dyeing, pollutes gases from shaping, completing and from boiler burning FO, DO, and pollutes noise due to textile shuttles.
- Metallurgy, casting metal and electroplating metal cause heat, suspended matter and gases pollution from electric arc, electroplating basin, waste water from electroplating.
- Tannery branch causes very heavy and specific smell pollution, suspended matter, gases and waste water pollution. Waste water contains chemicals, suspended dregs, and dissolvent organic substances. Waste contains a lot of lime dregs, fur, small leather, etc.

According to the results of inventory of the districts, at present there are 684 heavy polluting units have to remove and 1,182 other units have to solve environmental issues on the spot. According to the removal plan, there will be 93 units removing in the year 2003.

HCMC desires to carry out synchronous management measures to meet the environmental protection requirements in administrative measures, policy tools and economic tools, which are institutionalized in the law system in order and according to the guideline: “step by step, synchronous and effective”.