FINANCING VIETNAM
NATIONALLY DETERMINED CONTRIBUTIONS

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2. Vietnam Initiatives.

3. Conclusion and Recommendations.
VIETNAM NDC

1. Fulfil commitments in the NDC on GHG emissions mitigation VIA Green Growth/low-carbon Development;

2. Fulfil commitments in the NDC on climate change adaptation;

3. Prepare human, technological and financial resources to fulfil commitments in the INDC;

4. Establish and operate a Transparency System (MRV);

5. Revise and enhance institutions and policies.

VIETNAM GREEN GROWTH STRATEGY

- **Strategic Task 1**: Low Carbon Growth.

- **Strategic Task 2**: Greening Production through encouraging development of green industry and agriculture based on environmentally friendly, technologies and equipment;

- **Strategic Task 3**: Greening Lifestyle and Promoting Sustainable Consumption.

Vietnam Green Growth Action Plan covers 55% tasks of Vietnam NDC action plan, with 100% of mitigation contribution.
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<tbody>
<tr>
<td>Finance sources: State Budget (incl. ODA)</td>
<td>Investment made by all types of enterprises in Vietnam, incl. SOEs</td>
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<tr>
<td>05 ministries: MONRE, MOIT, MARD, MOC, MOT; 03 provinces; not representative for public expenditures as 70% of that spending at provinces.</td>
<td><strong>Reviewing investment in selected key sectors</strong> (energy, industries, agriculture, transport, forestation) in both Mitigation and Adaptation.</td>
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<td>Data collection at specific 05 focal points of ministries and 03 provinces.</td>
<td>No statistics on private investment, data scattered, multiple sources and types, many sub-sectors and provinces, defining climate relevance</td>
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<td><strong>CC finance accounts for 20% of public expenditure (mostly for Adaptation, Mitigation is only at 3%)</strong></td>
<td>- Total investment for only renewable energy ~ US$8.5 billion for 2010-2015, US $1.7 billion/year; -- CC Investment by private sector mainly for Mitigation.</td>
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## FINANCIAL GAP FOR CLIMATE CHANGE 2016–2020

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<th>CC Adaptation (at 4% of GDP)</th>
<th>Green Growth ($9 Bil.)</th>
<th>Green Growth (NDC)</th>
<th>Total Demand</th>
<th>MTIP 2016-2020</th>
<th>Gap</th>
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<tbody>
<tr>
<td><strong>1&lt;sup&gt;st&lt;/sup&gt; Option</strong></td>
<td>46.85</td>
<td>9</td>
<td>17.9</td>
<td></td>
<td>24</td>
<td></td>
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<tr>
<td><strong>2&lt;sup&gt;nd&lt;/sup&gt; Option</strong></td>
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<td></td>
<td>55.85</td>
<td>31.85</td>
<td>31.85</td>
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<td>64.75</td>
<td>40.75</td>
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Public Investment focuses on Adaptation;

Public Investment will be used as a catalyst to attract/create favorable environment for private investment in Low emission/Green Growth:

- Technological transfer, Pilot projects;
- Introduction new approaches to facilitate Private Investment (i.e. PPP).

2016-2020 Public Investment Program:

- Green Growth Investment Guidelines;
- Adaptation Priority Framework;
- CC&GG Target Programs.
BANKING AND FINANCIAL INITIATIVES

• Green Credit:
  ✓ Directive No. 03/CT-NHNN to provide credits for Green Growth/low carbon projects;
  ✓ Guidelines on environmental and social risk assessment.

• Review and Formulation:
  ✓ Fees and charges for environment protection, mining and extractive industries;
  ✓ Environmental fiscal tools to help meet investment targets.

• Restructure national climate finance governance structure to get access to International Climate Funds (i.e. GCF, AF…) by establishment of Climate Finance Task Force; New financial Institutions to finance CC projects i.e. VGGSF.
CONCLUSIONS AND RECOMMENDATIONS

- Vietnam Nationally Determined Contribution will be implemented via Adaptation and Green Growth Strategies and Action Plans;
- Public investment, banking and financial initiatives aim to create favorable environment to facilitate private investment to fulfill Vietnam NDC;
- Vietnam still needs international support to complete its ambitious NDC.
THANK YOU FOR YOUR ATTENTION!

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