

ADB

ADB's Climate Change Related Interventions in Vietnam

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ADB

ADB in Vietnam

ADB Tool Kit

- Public Sector Operations
 - Technical Assistance Grants
 - Loans
 - Other Grants
 - Guarantees
- Private Sector Operations
 - Loans, Guarantees, Equity Investment
- Policy Dialogue
- Knowledge Products and Services
- Capacity Building

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Outline

This presentation will introduce:

1. ADB in Vietnam
2. Planning for Climate Change Response
3. Responding to Climate Change
4. Financing Facilities

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ADB in Vietnam

1993-2008 Portfolio

78 loans (about \$6.0 billion)

225 technical assistance grants (about \$175 million)

23 grant assisted projects (about \$136 million including trust funds)

9 private sector operations (about \$305 million)


Lending by Sector 1993-2008

Sector	Percentage
Agriculture and Natural Resources	19.2%
Transport and Communications	16.3%
Water Supply, Sanitation & Waste Management	11.7%
Energy	7.7%
Health, Nutrition & Social Protection	6.4%
Finance	6.0%
Industry and Trade	6.0%
Law, Economic Management & Public Policy	4.4%
Multi Sector	3.0%
Education	3.0%

TA Grants by Sector 1993-2008

Sector	Percentage
Agriculture and Natural Resources	20.9%
Transport and Communications	12.4%
Water Supply, Sanitation, & Waste Management	7.8%
Energy	10.5%
Health, Nutrition & Social Protection	9.3%
Finance	6.3%
Industry & Trade	6.9%
Law, Economic Management & Public Policy	20.6%
Multi Sector	2.9%
Education	6.2%

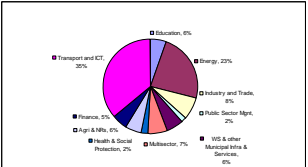
ADB in Vietnam



2009-2012 Assistance Pipeline

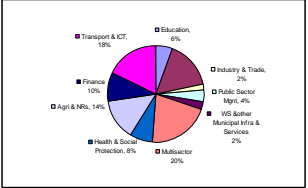
57 loans (about \$6.830 billion)

74 technical assistance grants (about \$74.5 million)



Lending by Sector 2009-2012


Sector	Percentage
Transport and ICT	20%
Energy	23%
Industry and Trade	9%
Public Sector Mgmt	2%
WIS & other Management & Services	6%
Multi-sector	7%
Health & Social Protection	2%
Agri & NBUs	6%
Finance	5%
Education	6%



TA Grants by Sector 1993-2008

Sector	Percentage
Transport & ICT	18%
Energy	10%
Industry & Trade	2%
Public Sector Mgmt	4%
WIS & other Management & Services	2%
Multi-sector	20%
Health & Social Protection	6%
Agri & NBUs	14%
Finance	10%
Education	6%



Responding to Climate Change



- Knowledge Development
- Support for Legislative Framework
- Capacity Building
- Regional Cooperation
- Investments

Planning for Climate Change Response




ADB Strategy 2020

- Environment, including climate change is one of ADB's five core areas of specialization
- Specifically for adaptation, the strategy says: *ADB will also help DMCs adapt to the unavoidable impacts of climate change—including those related to health—through national and municipal planning, investments in defensive measures, support for insurance and other risk-sharing instruments, and "climate-proofing" projects.*

Country 2007-2010 Strategy

- Environment is one of the country's four focus areas
- Climate proofing of future country operations

Responding to Climate Change



Knowledge Development

- Water Sector Review** – review the current state of the water sector and adopt integrated water resources management (IWRM) principles
- Regional Review of Economics of Climate Change** – Viet Nam, Thailand, Indonesia, Philippines (2008-2009)
- HCMC Study on Climate Change Impact and Adaptation** – predicting social, environmental, and economic impacts (2008-2009)
- Sustainable Rural Infrastructure Development Project in the Northern Mountain Provinces** (2008-2010; PPTA)
- Climate Resilient Infrastructure Planning and Coastal Zone Development** (Ongoing, GEF Grant)
- Study on Climate Change Impact, Adaptation in Mekong Delta** (2009-2011; Australia and ADB)
- Support to Implementation of the National Targeted Program for Response to Climate Change** (2010; TA)
- Wind Power Potential Study** (2009-2010; PPTA)

Responding to Climate Change ADB

Support for Legislative Framework

Energy Efficiency Law (2008-2010): ADB TA 7024: \$925,000

Promote energy conservation in the industry sector in Viet Nam to substantially reduce energy consumption and thereby greenhouse gas (GHG) emissions while delivering a higher level of energy services to the sector.

Renewable Energy Law (2009-2010): ADB TA 7262: \$2.5 million

To promote energy diversification through appropriate fiscal and policy incentives, and reduce dependence on fossil fuels, which are the main sources of GHG.

Water Resources Law (2009-2010): ADB TA 3892: \$1,345,000

To assist the Government undertake a revision of the current Law on Water Resources and establish a statutory framework for integrated water resources management principles, including mainstreaming of climate change concerns in water sector planning.

Responding to Climate Change ADB

Capacity Building (con't)

Capacity Building of Renewable Energy Development (2009-2010; TA) – provide capacity building in sustainable small hydropower plant planning, implementation and operation; and promote productive use of energy

Capacity Building for River Basin Water Resources Planning (2009-2011; TA)

Capacity Building for Energy Efficiency in the Industrial Sector (2011-2012; TA)

Capacity Building for Ha Noi Water Supply (2011-2012; TA)

Responding to Climate Change ADB

Capacity Building

Capacity Building for Forest Livelihood Improvement (2006-2014; TA) – providing the Government with technical and advisory support for sustainable resource development and management of the forest sector, including enhancing carbon sequestration and adaptive capacity of forest ecosystems

Geo-Information Technology for Hazard Risk Management (2008-2009; TA) – enhancing capacity to (i) carry out risk and vulnerability assessments, including physical, economic, social and environmental impacts; and (ii) mainstream prevention and preparedness activities into the development process


Capacity Building on Environmental Management to Power Sector (2009-2010; TA) - strengthening capacity in environmental management, addressing air pollution problems, and improving capacity for managing air quality and enhancing climate change co-benefits (e.g. reduction of GHG)

Responding to Climate Change ADB

Regional Cooperation

Greater Mekong Sub-region (GMS): Core Environment Program (CEP)/Biodiversity Conservation Corridor Initiatives (BCI):

- BCI provides a platform for optimizing environmental management and developmental co-benefits
- Protection of ecosystem services (corridors as gene pools, protection of water resources, developmental infrastructure)
- Landscape/eco-regional planning for increased climate change resiliency and reduced socio-ecological vulnerability
- Pro-poor benefit sharing models for local/community levels
- Aligning global targets (MDGs- Goal 1 and 7) with national commitments (e.g. UNFCCC, CBD)



Responding to Climate Change ADB

Regional Cooperation (con't)

Greater Mekong Sub-region (GMS) Flood and Drought Risk Management and Mitigation

- Improve the ability of communities in Cambodia, Lao PDR, Thailand, and Viet Nam to prepare for, respond to, and recover from the negative impact of floods and droughts










Photos for illustration only

Responding to Climate Change ADB

Investments (con't)

Energy Efficiency
(2011): \$150 million incl. ADB loan of \$80 million (indicative)

- Household CFL Conversion
- EE in Government facilities and operations
- Upgrading production systems of big industries, leading to reduction of energy, electricity consumption
- Upgrading and rehabilitating Pha Lai power plant for higher efficiency



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Responding to Climate Change ADB

Investments

- Northern Power Transmission** (2004-2011), \$120 mil
- Northern Power Transmission Expansion** (2005-2010), \$360 million
- Mong Duong 1 Thermal Power, Tranche 1** (2007-2013): \$28 million
- Song Bung 4 Hydropower Plant** (2008-2014): \$196 million
- Rural Biogas Development** (2009-2015)
- Renewable Energy** (2009-2016): \$160 million
- Mong Duong 1 Thermal Power, Tranche 2** (2009-2014): \$1,128 mil (ADB loan: \$902.90 mil)
- Power Transmission Sector, Tranche 1** (2011): \$250 million incl. ADB loan of \$130 mil
- O Mon Thermal Power** (2012): \$370 million incl. ADB loan of \$200 mil

- Reduce transmission losses
- Facilitate efficient utilization of existing and planned power plants
- Increase power generation capacity using cleaner technology
- Develop clean energy

Responding to Climate Change ADB



Investments (con't)

- Providing two cities' passengers with a reliable and safe integrated public transport system to promote energy efficiency by reducing the use of private cars and motorbikes
- Promoting low carbon transport

Ho Chi Minh City Urban Mass Rapid Transit, Tranche 1 (2010), \$25 million including ADB loan of \$20 million (indicative)


Ho Chi Minh City Urban Mass Rapid Transit, Tranche 2 (2011), \$1,100 million incl. ADB loan of \$500 million (indicative)

Ha Noi Metro Rail System (2010), \$832 million including ADB loan of \$293 million (indicative)

Photos for illustration only

Responding to Climate Change ADB



Investments (con't)

Forest for Livelihood Improvement in Central Highlands (FLITCH) (2006-2015), ADB Loan 2269 (\$48 million) with Trust Fund for Forests Co-financing (\$15.57 million)

- Forest Sector investment
- Livelihood plantations
- Forest Sector capacity building and management
- Biodiversity and Forest Protection measures
- Lam Dong Biodiversity Corridor piloting
- Promoting carbon sequestration and enhancing adaptive capacity of forest ecosystems and indigenous people

Financial Facilities ADB

- **ADB Support**
 - Adaptation
 - Water Financing Partnership Facility (\$65 m)
 - Small Grants for Promoting CC Adaptation, (\$1.2 m)
 - Poverty and Environment Fund (\$3.6 m, incl. adaptation)
 - Mitigation
 - Clean Energy Financing Partnership Facility (\$250 m target; \$95 m to date)
 - Carbon Market Initiative, including Asia Pacific Carbon Fund (\$151 m); Future Carbon Fund (\$200 m)
 - Adaptation & Mitigation
 - Climate Change Fund (\$25 m clean energy; \$10 m adaptation; \$5 m forestry)

Responding to Climate Change ADB


Investments (con't)

Cross-border Initiatives

GMS Biodiversity Conservation Corridor (2010; \$30 m)
 GMS Drought & Flood Risk Management & Mitigation (2011; \$30m)
 GMS Rural Renewable Energy (2011; \$20 m)

Financial Facilities ADB

- **External and Global**
 - Adaptation
 - Least Developed Countries Fund – GEF administered (\$189 m)
 - Strategic Priority on Adaptation - part of GEF Trust Fund (\$50 m)
 - Adaptation Fund – GEF administered under the guidance of Adaptation Fund Board (\$300-500 m by 2012)
 - Mitigation
 - Clean Technology Fund of the Climate Investment Fund – implemented jointly with WB (\$5.2 billion)
 - Adaptation & Mitigation
 - Strategic Climate Fund of the Climate Investment Fund – WB Trustee (\$900 m)
 - Special Climate Change Fund – GEF administered (\$75 m adaptation; \$15 m mitigation)



For further information
please visit our website
www.adb.org/vietnam
www.adb.org/climate-change

Thank you!