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VIETNAM CLIMATE CHANGE FACT SHEET

Vietnam is one of the world's five most vulnerable countries to climate change. Typhoons, floods, droughts, and landslides frequently threaten a high proportion of the country's population and economic assets concentrated along its long, densely populated coast. And although Vietnam is a modest greenhouse gas (GHG) emitter, GHG emissions have multiplied fivefold in the last 20 years—largely fueled by significant growth in the energy sector. The energy sector is responsible for more than half of the country's GHG emissions, followed by agriculture, industrial processes, and waste.

The U.S. Agency for International Development (USAID) partners with Vietnam to strengthen both its environmental security and stewardship. We are working together to mitigate GHG emissions and increase resilience to the impacts of climate change. USAID addresses climate change by accelerating Vietnam's transition to clean energy, protecting the natural environment, and engaging with local communities on environmental pollution, as well as strengthening disaster response, preparedness, and risk reduction.

USAID'S CLIMATE CHANGE PROGRAM: OBJECTIVES AND RESULTS

Vietnam announced at the 2021 United Nations Climate Change Conference (COP26) a target of net zero carbon emissions by 2050. USAID supports the Government of Vietnam's efforts to meet this target through projects and partnerships on climate adaptation, renewable energy, biodiversity conservation, and sustainable landscapes.

ADAPTATION

USAID supports Vietnam to prepare for and respond to natural disasters, restore habitats, and increase the use of nature-based solutions—such as mangrove forests which serve as a protective buffer to coastal surges—as tools to adapt to climate change. These tools can reduce disaster risk, support livelihoods, and improve food and water security.

IMPACT

- USAID plans to provide over \$80 million for climate adaptation, including over \$30 million already provided for disaster response and risk reduction, and \$50 million planned for climate resilient agriculture in the Mekong Delta.
- USAID improved the management of one-third of the total land area in two biologically significant provinces. In a third province, with USAID support, an area with 70 percent of its tropical evergreen forest intact became a national park.

KEY ADAPTATION PROGRAMS

USAID SUSTAINABLE FOREST MANAGEMENT: While mitigating land-based GHG emissions, this project also improves the function of forests and ecosystems through restoration and conservation efforts, as well as the improvement of timber forest management to support healthy habitats and biodiversity, which help reduce disaster risk; support livelihoods; and improve food and water security

USAID BIODIVERSITY CONSERVATION: With a primary objective to conserve biodiversity, this project supports Vietnam to maintain healthy forests and protect wildlife populations in its national parks and nature reserves to ensure a stable supply of ecosystem services. This project contributes to climate change objectives by increasing ecosystem function and the carbon sequestration potential of healthy forests, which builds resilience and mitigates GHG emissions.

USAID'S MEKONG DELTA COASTAL HABITAT CONSERVATION: Strengthens marine resources management to conserve biodiversity and enhance coastal resilience.

MITIGATION

USAID works closely with the Government of Vietnam (GVN) to meet ambitious GHG emissions reductions targets through programs that improve Vietnam's ability to avoid or reduce GHG emissions in the forestry, agriculture, and energy sectors.

Vietnam's forestry sector plays an important role in avoiding and absorbing GHG emissions. Vietnam has successfully transformed its forests from a greenhouse gas emission source to a net carbon sink that accumulates and stores carbon. USAID and the GVN are strengthening protected areas and sustainable forest management to avoid land-based GHG emissions and increase forests' capacity to absorb GHG emissions.

USAID also partners with the GVN to reduce GHG emissions within the energy sector by developing and implementing energy policies and plans that support scaling up clean energy and mobilizing much needed investment from the private sector so clean energy expands alongside Vietnam's growing economy.

IMPACT

- USAID supported government regulators, banks, investors, and private sector developers to spur solar and wind investments in Vietnam totalling more than \$300 million over five years.
- USAID contributed to Vietnam's exponential growth in solar energy production, which grew from less than 10 megawatts in 2017 to 16,500 megawatts in 2020.
- USAID integrated significantly higher levels of clean energy into the country's 2021 to 2030 power development plan with the Ministry of Industry and Trade.
- USAID supported the Government of Vietnam and stakeholders to develop the draft Direct Power Purchase Agreement (DPPA), which when enacted will enable corporations to procure clean power directly from private generators for the first time in Vietnam.
- USAID established a \$2.5 million Innovation Challenge Fund to support innovative urban energy solutions.
- USAID established a Renewable Energy Data Explorer tool to provide a platform to visualize and analyze province-specific geospatial data on wind, solar, and biomass resources alongside locations of transmission lines, protected areas, and other land and infrastructure features.
- Thanks to USAID support, more than \$1 billion has been generated through a payment system for forest environmental services, resulting in the conservation of approximately 40 percent of Vietnam's forest area (more than 6 million hectares), benefitting about 500,000 rural households in mountainous areas. Through this system, Vietnam sequesters and avoids approximately 20 million metric tons of carbon dioxide equivalent (CO₂e) annually.
- USAID mobilized \$360 million in private investment to reduce GHG emissions from land use change.
- USAID is helping Vietnam to avoid and/or sequester more than 12 million tons of CO₂e annually between 2023 and 2025.

KEY MITIGATION PROGRAMS

USAID VIETNAM LOW EMISSION ENERGY PROGRAM (V-LEEP II): supports Vietnam's transition to a clean, secure and market-based energy sector.

USAID VIETNAM URBAN ENERGY SECURITY: works closely with the

Government of Vietnam to catalyze clean energy solutions to urban energy challenges.

USAID'S INVEST PROGRAM: reduces barriers for investors and mobilizes private investments into renewable energy projects.

USAID SUSTAINABLE FOREST MANAGEMENT: reduces and avoids land-based GHG emissions through restoration and conservation of forests, which are critical to reduce and absorb Vietnam's GHG emissions.