Hanoi, March 14, 2014

To: Dr. Jim Yong Kim  
President  
The World Bank  
Washington D.C

Subject: Contribution of the World Bank to the Support Programme to Respond to Climate Change in Viet Nam

Dear Dr. Kim,

On behalf of The Government of Vietnam I would like to express our sincere thanks to the World Bank for your continuous and effective support to Viet Nam to address the challenge of climate change.

Viet Nam is one of the countries most vulnerable to the impacts of climate change. Having acknowledged this fact, we have been making significant efforts and progress to respond to climate change contributing to sustainable development. Our Government has been carrying out policy and institutional reforms to encourage actions aiming at improving resilience to the present and projected impacts of climate change and at the same time mitigating the growing volume of GHG emissions. In 2008, the first national program to combat climate change, the National Target Program to Respond to Climate Change (NTP-RCC), was developed to provide the initial framework for mainstreaming, coordinating and financing activities through 2015. In 2011, Viet Nam adopted the National Climate Change Strategy (NCCS) that is an overarching framework setting guiding principles and strategic objectives and tasks for climate change actions until 2050. Priorities for implementation of the NCCS are further specifies in the National Action Plan. The NCCS is now complemented with the Green Growth Strategy issued in 2012 which focuses on reduction of the intensification of GHG emissions, greening production and lifestyle with clear indicators and targets.

At the strategic leadership level, the National Committee on Climate Change, chaired by the Prime Minister, was established in January 2012, is functioning as a national leading and coordinating entity for all climate change actions, international negotiations and mobilization of financial resources for climate change response. Development partners have been invited to take part in the policy dialogue with the Committee members for alignment of their supports to the national priorities in a coordinated manner.
At sectoral level, on climate change adaptation pillar, the Law on Water Resource enacted in 2012 provides an integrated framework to improve water resources management and utilization in the context of climate change with strong focus on the allocation of water, saline intrusion and holistic planning. The national action plan on water resources lists a set of priority actions aiming at strengthening the management capacity, monitoring systems, implementing measures for active responses to adverse impacts from climate change and sea level rise and upstream utilization, and promoting integrated water exploitation and savings, and so forth. On planning of national resources and budget allocation, the Government through the Ministry of Planning and Investment has adopted the Adaptation Prioritization Framework to mainstream adaptation into the Socio-Economic Development Plan (SEDP) at sector and provincial levels. Implementation of the Adaptation Prioritization Framework is included in the Guideline Framework for the preparation of the national SEDP 2014 for used by sectors and provinces.

On GHG emission mitigation, the Government has focused on promotion the economic development towards low carbon. Vietnam is implementing the National Energy Efficiency Program. Increasing energy efficiency represents a major opportunity for co-benefits between climate change mitigation and improving energy security, reducing power sector shortages and dependency on fuel imports. A low carbon development options assessment and a Climate Public Expenditure Review are being finalized to inform priorities for implementation of the Green Growth and Climate Change Strategies and development planning in Vietnam.

The Support Program to Respond to Climate Change (SP-RCC) was established by the Government with the support of JICA and AFD and subsequently with the World Bank and others. The SP-RCC provides a sustained platform for policy dialogue and coordination between sectors and international support to climate change activities in Vietnam. The SP-RCC is built on a policy matrix that is endorsed annually by the Prime Minister to support the implementation of the NCCS and the GGS. The SP-RCC provides the basis for, and informs and guides the programmatic budget support operations currently provided by development partners in general and by the World Bank in particular.

We are very encouraged that the World Bank continuously supports the SP-RCC through the proposed coming Third Climate Change Development Policy Operation (CC DPO3) that was developed jointly with the Government with identified priority policy actions. The CC DPO3 sets out specific prior actions which are part of the SP-RCC policy matrix and critical to the long-term changes in Viet Nam to increase resilience to climate change and to promote a low carbon growth and economic development towards that contribute to the global effort in GHG emission reduction.

Again, we like to confirm that we fully support the structuring of the operation around three Goal groups: i) Improving the resilience of water resource to climate change impacts, supporting adaptation measures to increase the efficiency of water usage in agriculture; ii) Promoting energy efficiency to contribute to a low carbon intensity development in support of the mitigation of GHG emissions; and iii) Strengthening the cross-cutting capacity to
formulate and implement climate change strategies. Once again we would like to reconfirm that those priorities are fully in line with our strategic priorities.

We look forward to receiving the confirmation of the World Bank support to the SP-RCC via the Third Climate Change Development Policy Operation.

Sincerely yours,

Nguyễn Minh Quang
Minister of Natural Resources and Environment
Socialist Republic of Viet Nam