

# DOCUMENTATION



## IKI WORKSHOP 2023



## Networking and reception dinner



# IKI Workshop – Part I: Networking and Exchange among IKI Implementers

The **2023 IKI Interface Workshop** was held in Hanoi on **Tuesday, 17 October 2023** under the theme **From Commitments to Actions**. A Networking and Reception Event preceded the one-day workshop.

The workshop was a dialogue on priorities and challenges in turning Vietnam’s commitments on climate and biodiversity into actions.

It facilitated exchange and knowledge sharing of IKI projects and looked at the IKI portfolio development in the next decade based on the government’s focuses and global trends. Representatives of BMWK, BMUV and ZUG joined the dialogue with their Vietnamese counterparts.



## Updates on IKI implementation



**Franziska Kamm**

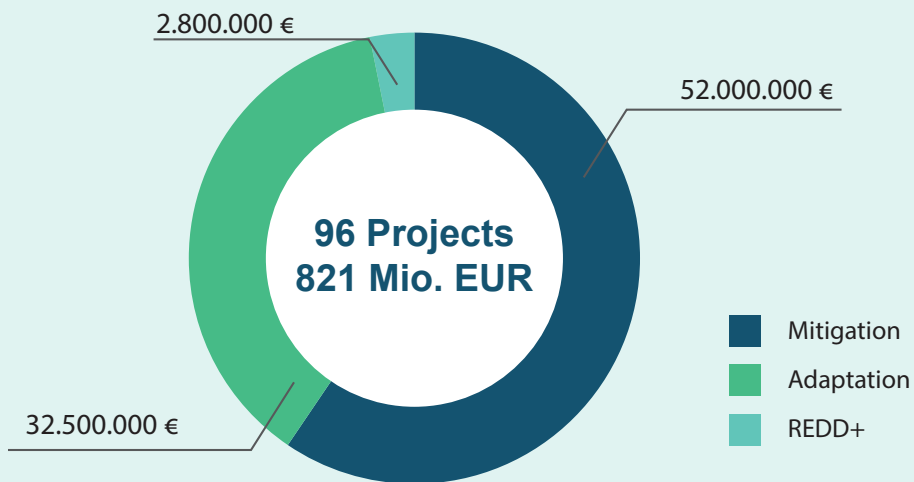
**Project Manager**

Energy, Industry, Technology

IKI Office, Z-U-G gGmbH

IKI has financed so far a total of 96 projects in Vietnam with a total budget of 812 Mio. EUR (incl. regional/global projects). In Oct. 2023, there are 37 ongoing projects with a total budget of 535 Mio. EUR in Viet Nam, 11 bilateral projects were (50 Mio. EUR) and 26 regional/global projects (485 Mio. EUR for all implementing countries).

**The IKI total bilateral funding VNM since 2008**  
Amounts in EUR



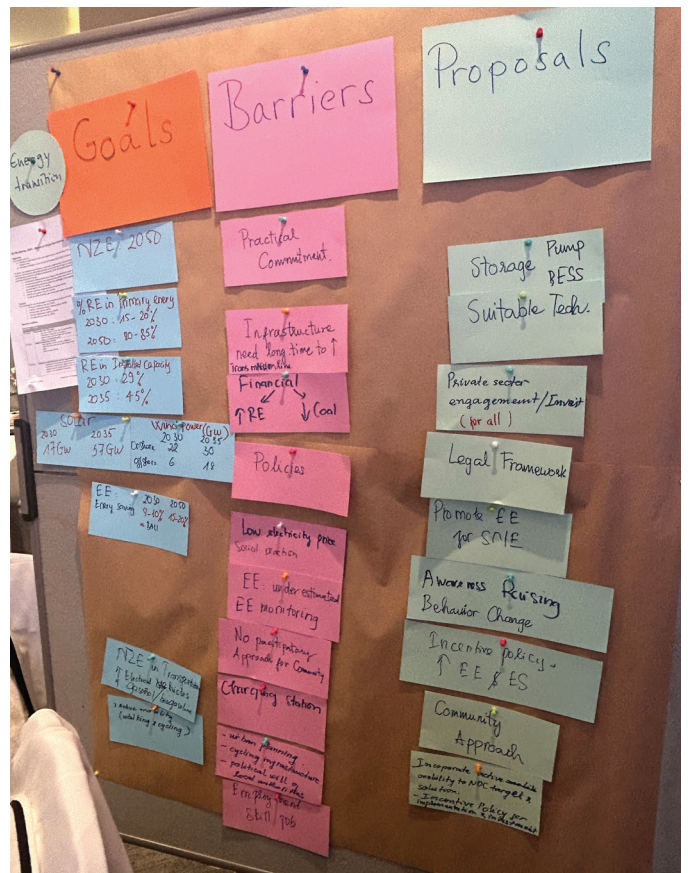
## Working groups



# Group work

## Energy transition

The discussion was joined by team members of the following projects: Cultivation of energy plans on former mining sites in Viet Nam, Green Youth Labs, Support the Nitric Acid Climate Action Group (NACAG), Innovation Regions for a Just Energy Transition, Clean, Affordable, and Secure Energy for Southeast Asia (CASE), The Asia Low Carbon Buildings Transitions (ALCBT), Climate Protection through Sustainable Bioenergy Markets in Viet Nam (BEM), NDC Support Programme, Shifting Investment Flows Towards Green Transformation (SHIFT), NDC Transport Initiative for Asia, Support for the implementation of the 2050 net zero commitment in Viet Nam.



## Identified Barriers and Solutions for the Energy Transition

Barriers	Solutions
<ul style="list-style-type: none"> <li>• The shortage of skilled professionals in fields such as renewable energy technology, grid management</li> <li>• Social response to low electricity prices</li> <li>• Integration of mobility transition in energy transition scheme</li> <li>• Price mechanism for renewable energy</li> <li>• Time consuming for building a transmission line in the power sector</li> <li>• Lack of charging stations in promoting electric vehicles</li> <li>• Large investment and high replacement cost in renewable energy transition</li> <li>• Upgrade of existing infrastructure</li> <li>• Underestimation of energy efficiency and lack of efficient energy efficiency monitoring tool</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in education and training programs are essential to equip individuals with the necessary skills, ensuring a smoother and more effective energy transition</li> <li>• Promote energy efficiency for Sustainable Energy through awareness raising to encourage behavioural change and implement incentive policies</li> <li>• Build strong political will to put forward new policies and pilot new concepts to facilitate mobility transition</li> <li>• Reinforce urban planning and development of mass transit to facilitate walking and cycling (active mobility)</li> <li>• Strengthen the legal framework to support sustainable energy development</li> <li>• Select appropriate technologies for Vietnam and promote energy storage solutions like pumped storage and battery energy storage systems (BESS)</li> <li>• Encourage private sector engagement and investment to address various barriers more effectively</li> <li>• Incorporate active credibility to NDC targets and measures</li> </ul>

# Group work

## Climate finance

The group work included representatives from MARD and Adaptation team at IKI Office, and IKI implementers from GIZ, Energy Transition Partnership, UNOPS, UNDP, SNV, IMHEN, GGGI and Quang Binh province.

Barriers	Solutions
<ul style="list-style-type: none"><li>- Lack of legal basis and policies/incentives for the private sector to access and mobilise climate finance sources:<ul style="list-style-type: none"><li>• Limitations in PPP laws hinder the private sector's interest in working with the public sector</li><li>• No legal basis for cooperatives to access bank loans, resulting in difficulties implementing new measures for climate change response</li><li>• Time-consuming approval procedures for investment projects including those related to climate</li></ul></li><li>- Lack of a coherent management system leads to overlapping in terms of management between different line ministries</li><li>- Concerns of transparency at different levels</li><li>- Lack of synergy in approaching both international financial sources and the government's budget within the governmental agencies</li><li>- Limited budget and human resources allocated for climate responses at provincial level</li></ul>	<p><b>At the national level:</b></p> <ul style="list-style-type: none"><li>- Organise policy dialogues and conferences on climate finance, involving the private sector</li><li>- Mobilise funds to pilot climate finance mechanisms</li><li>- Develop policy implementation guidelines for provincial authorities</li><li>- Develop national climate risk database</li></ul> <p><b>At the provincial level:</b></p> <ul style="list-style-type: none"><li>- Integrate climate change response into the provincial socio-economic development plan</li><li>- Participatory engagement between the authority and the private sector for climate action</li><li>- Capacity building for responsible staff at provincial agencies</li></ul>



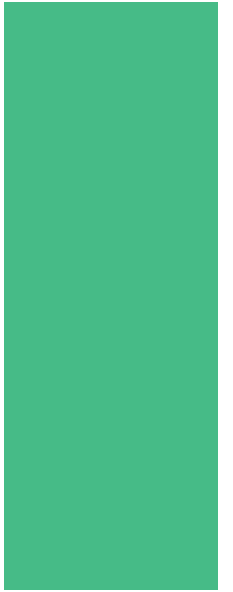
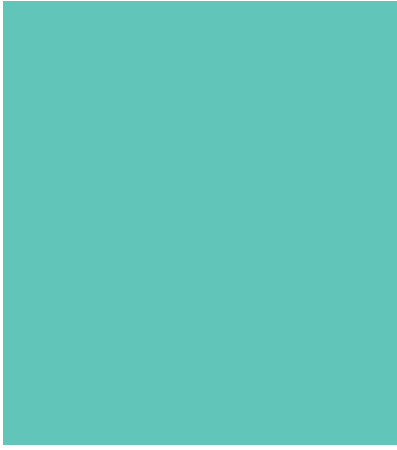


# Group work

## Carbon market

Participants in the group work included IKI implementers from SNV, GIZ, ICCT, GGGI, UNOPS

Barriers	Solutions
<ul style="list-style-type: none"><li>- The regulatory framework needs to be developed very fast in the coming years, including details of MRV methodologies applied at facility level and the verification and management of carbon credits</li><li>- Limited capacity of the government officers leads to the need for capacity building while it is still unclear how the carbon market shall be monitored and enforced</li><li>- The baselines for quota allocation are still unclear and it is uncertain how they will be developed</li><li>- Unclear connection with, and impact on NDC; no modelling is available for projection</li><li>- The link of the national carbon market with Article 6 is still quite open</li><li>- Limited capacity of companies in both technical issues and liquidity that probably needed to purchase carbon credits in advance</li><li>- Lack of clarity and uncertainty of carbon credit price in voluntary market hinder investors in developing projects</li></ul>	<ul style="list-style-type: none"><li>- Enhance the coordination among development partners for technical support</li><li>- Foster the application of MRV for large emitters as this will provide potential information for the carbon market development, in terms of baselines and accounting practice</li><li>- Develop the national registry to create a good setting for the carbon market and secure investment in emission reduction projects</li><li>- Clarify the integration with international mechanisms such as Article 6 of the Paris Agreement</li></ul>



# Group work

## Biodiversity

Participants in the group work included representatives from MARD and BMUV and IKI implementers from IUCN, SNV, UNDP, WWF, GIZ.

Barriers	Solutions
<p><b>Overall barriers:</b></p> <ul style="list-style-type: none"><li>- Reluctance to take difficult decisions by authorities at various levels and circumstances: there is political will but when it comes to trade-offs, especially in terms of economic development, often decisions are taken in the way that harm biodiversity</li><li>- Perverse incentives stemmed from benefits of harmful economic development: Not only for government but also for individuals. It is difficult to choose biodiversity-friendly options when the benefits from harmful economic development are so much greater</li></ul> <p><b>Barriers in agriculture:</b></p> <ul style="list-style-type: none"><li>- Lack of policy and financial support for farmers in applying more environmental and biodiversity-friendly agricultural practices: no access to loans; no subsidies or tax reduction for choosing less harmful practices</li><li>- Lack of institutional development for example among cooperative to engage in Public-Private Partnerships (PPP)</li><li>- Lack of participation and interest of private sector to support sustainable agriculture and to engage in PPP</li><li>- Lack of human capacity of agricultural extension services: many extension centres are severely understaffed to provide farmers with the necessary advice and support</li></ul>	<p><b>Regarding conservation:</b></p> <ul style="list-style-type: none"><li>- Payment for forest environmental services (PFES): a successful model for biodiversity financing that should be optimised and extended to other ecosystems</li><li>- Regulation of community forests needs to be clarified</li><li>- Co-management and community-based patrolling supported by PFES to make patrolling more effective and create more ownership within the community</li><li>- Community empowerment and culture and awareness raising campaigns to raise the voice of communities</li></ul> <p><b>Regarding agriculture:</b></p> <ul style="list-style-type: none"><li>- Tailored financial assistance for farmers to cover the financial gap of smallholders and increase their access to loans and credits</li></ul>

## Barriers in biodiversity conservation

- Lack of legal basis for biodiversity monitoring and reporting: without the legal basis, protected area managers have no mandate to collect relevant data and report it to the right authorities
- Issues of land use right:
  - Local people are often not legally allocated land, wetlands and mangroves although they are living on and cultivating such areas leading to disincentive for sustainable practices
  - Communities do not have the rights over community-based conservation areas

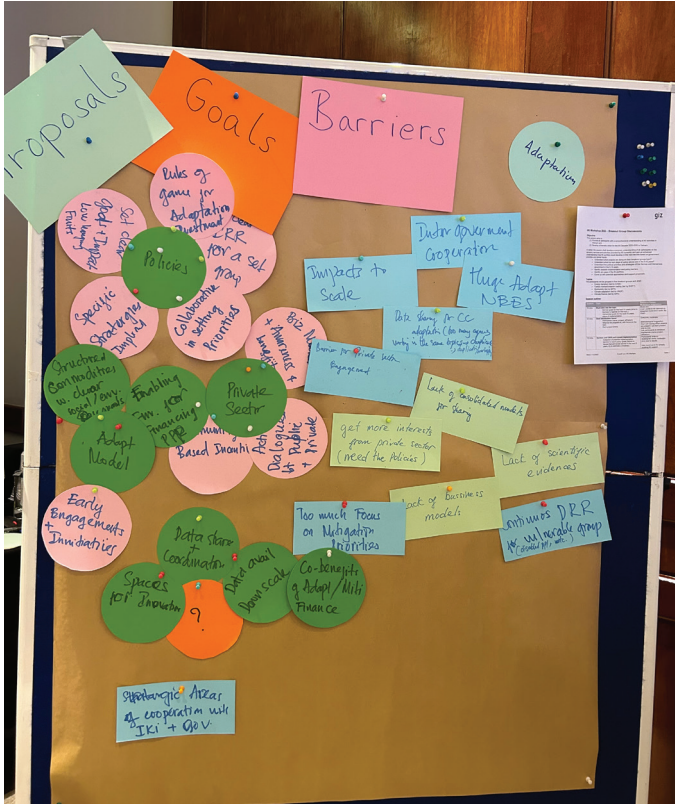


# Group work

## Adaptation

The discussion was joined by team members of the following projects: BMUV, VN-ADAPT, CIAT, Ecosystem-based adaptation on the northern central coast of Vietnam: restoration and co-management of degraded dunes and mangroves, NDC Support Programme, Enhancing resilience to climate change & ensuring sustainable livelihood for Persons with Disability, VN-SIPA II, Green finance.

Barriers	Solutions
<ul style="list-style-type: none"> <li>- Needs for new goals for long-term adaptation in Vietnam</li> <li>- Needs for adaptation and continuous demand/implementation for risk mapping regarding disaster reduction, in order to support vulnerable groups</li> <li>- Climate change mitigation is more attractive and dominant than adaptation</li> <li>- Debates on selecting adaptation measures and on goals (adaptation, economic development, increase resilience etc.): incentives and trade-offs</li> <li>- High-level and abstract goals should be broken down into specific objectives and activities, this will decide how to close the gaps and scale up adaptation</li> <li>- Uptake strategies to ensure sustainability</li> </ul> <p><b>Policy and governance:</b></p> <ul style="list-style-type: none"> <li>- Vietnam has good intentions and good preparation on legal framework but still a long way to go for the implementation</li> <li>- Limits in inter-agency cooperation of government organisations, especially among ministries and between central and provincial levels, which leads to limitation in exchange of data</li> <li>- There is a need for better integration of adaptation into government planning and secure finance for adaptation</li> </ul>	<p><b>Policies:</b></p> <ul style="list-style-type: none"> <li>- Set clear goals and expected impacts, and target at low hanging fruits</li> <li>- Rules of games for investment in adaptation should be further developed</li> <li>- Collaborative in setting priorities</li> <li>- Specific strategies for implementation</li> </ul> <p><b>Private sector:</b></p> <ul style="list-style-type: none"> <li>- Greater public-private exchanges</li> <li>- Awareness raising: knowledge, quantifiable business models and visualised long-term impacts, incentives</li> <li>- Develop supporting policies</li> <li>- Active dialogues between public and private sector</li> <li>- Promote community-based initiatives</li> <li>- Enable finance for PPP</li> <li>- Promote public-private exchanges</li> </ul> <p><b>Adaptation model:</b></p> <ul style="list-style-type: none"> <li>- Structured commodities with clear social and environmental safeguards</li> <li>- More fair and equitable shares of responsibilities and benefits among groups</li> <li>- Co-benefit of adaptation/mitigation finance</li> <li>- Strong and early engagement in planning and implementation and initiatives</li> </ul>



**Private sector:**

- The private sector has great contributions to adaptation work but potential new finance still needs to be unlocked by closing the gaps in knowledge, data and incentives for their engagement. Meanwhile, there was an opinion that enterprises have awareness and care about climate change impacts, but they are not involved at an early stage
- Limited public-private exchanges

**Adaptation model:**

- Limitation in sharing and scaling up successful adaptation models
- Lack of backup scientific evidence
- The bias toward mitigation outweighs the priority for adaptation

**Data sharing and digitalisation:**

- Limited space for innovation
- Overlapping efforts for data collection while data sharing is still limited
- Lack of data availability: availability to different stakeholders, downscaling availability to local levels
- Data supporting governmental decision-making: trust in co-contribution from external sources, gaps between different sources

**Conclusions:** Summary of key issues and possible approaches to overcome them.

- Huge needs for adaptation and disaster risk reduction (DRR) support are still recognised in Vietnam and long-term goals should be identified.
- Further efforts in cooperation among governmental agencies and finance for adaptation are needed. Clear, reachable goals, rules for investment and specific strategies should be identified.
- Poor participation from the private sector together with their weak capacity should be improved via greater public-private exchange, awareness raising, supporting policies, early engagement and enabling finance.
- Scaling up successful adaptation models and their sustainability require co-benefit, early engagement in planning and implementation, and fair and equitable shares of responsibilities and benefits.
- Data sharing and digitalisation is still open area for further discussion.
- Common understanding and agreement should be promoted among IKI projects, giving attention to low-hanging fruit models, and more focus on implementation of adaptation actions vs planning.



## Discussion with Political Partners



### **Dr. Le Viet Anh,**

*Director General of the Department of Science, Education, Natural Resources and Environment, Ministry of Planning and Investment:*

Since its establishment in 2008 in Viet Nam, the International Climate Initiative (IKI) funded by German government has implemented many important programmes and projects across different sectors in Viet Nam to support the country in the fulfillment of the Paris Agreement and the achievement of the sustainable development goals in 2030.

I hope that we will have not only positive sharing and discussions that contribute to increasing the effectiveness of the implementation of IKI projects in Viet Nam, but also help to shape the policy priorities and actual practices that need to be supported by IKI in the coming time, towards realising Viet Nam's commitments through IKI projects as in the name and spirit of the workshop, "From Commitments to Actions".



### **Dr. Philipp Behrens,**

*Head of International Climate Initiative (IKI) Division, German Federal Ministry for Economic Affairs and Climate Action (BMWK):*

On behalf of the German Government, let me express my highest appreciation to the Vietnamese government for the decision to pursue a climate neutrality path for Vietnam. It is great to see the steps continuously taken for the commitment to become more and more concrete.

We strive that with our support, Vietnam will be able to translate its great ambition into further decisive short- and medium-term actions.

# IKI Workshop – Part II: Discussion with Political Partners

## Summary inputs by the political partners

### Regulations on climate mitigation and carbon market in Vietnam and Perspective in climate negotiation of Vietnam at COP28

Presented by Department of Climate Change (DCC), Ministry of Natural Resources and Environment (MONRE)

Vietnam has made strong climate commitments including becoming net-zero by 2050. Climate mitigation and the establishment of carbon market in Vietnam are supported by a strong legal base. They are mentioned in the Law on Environmental Protection and the under-law document Decree 06/2022-ND-CP.



The Domestic Carbon Market Development Scheme focuses on the compulsory trading of GHG emission quotas by enterprises and trading in the domestic carbon market and orientation to connect with international markets. The piloting is expected to start in 2026 to prepare for the official launch in 2028. In the upcoming time, MONRE will advise the Prime Minister to approve Vietnam’s total quota and annually allocate it to facilities in the period of 2026-2030.

Perspective on climate negotiation of Vietnam at COP28

- **General view:** Climate change response must adhere to the principles of fairness

and equity, adopting a global and universal approach. The establishment of the Loss and Damage Fund should be prioritised. Climate change adaptation remains a top priority for Vietnam, while greenhouse gas emission reduction is both a responsibility and an opportunity for Vietnam.

- **View on GHG emission reduction:** GHG emission reduction activities must comply with CBDR-RC and Nationally Determined Contribution. Developed countries must provide detailed roadmaps and implementation measures to support developing countries’ climate actions. Countries need to further improve their GHG emission reduction targets by 2025 and 2030
- **View on climate change adaptation:** COP 28 should provide a clear and feasible Framework for the Global Goal on Adaptation and expedite the development of the Loss and Damage Fund’s operational structure and management mechanisms. Vietnam expects clear guidelines for accessing the Loss and Damage Fund to promptly address loss and damage issues.



## Kumming - Montreal Global Biodiversity Framework (GBF)

Presented by: Nature and Biodiversity Conservation Agency (NBCA)

### Vietnam's plan to promote the implementation of GBF

#### *Manage, protect and expand the protected areas (PA) system*

- National Biodiversity Strategy and Action Plan to 2030, vision to 2050
- Biodiversity conservation goals: protect 9% of land territory, 3-5% of the country's natural sea area, and 20% of degraded natural ecosystem area; maintain national forest coverage rate of 42-43%; implement nature-based solutions; Assess the value of biodiversity and ecosystem services.
- National strategy on biodiversity to 2030, vision to 2050
- Key tasks: Building and completing policies and laws, strengthening management capacity, awareness raising, implementing scientific and technological research, international cooperation, implementing pilot solutions, impact control, monitoring and evaluation.
- Draft National biodiversity conservation plan to 2030, vision to 2050
- Biodiversity conservation goals: Restore, ensure and effectively manage natural ecosystems, wild species and rare genetic resources.

#### *Manage and protect the ecosystem*

- Aims: protect, preserve and restore ecosystems and biodiversity.
- Implementing policies to conserve and enhance biodiversity through ecosystem management, impact assessment, restoration, financial incentives, and urban planning.

- The next steps focus on developing guidelines and regulations for implementing ecosystem conservation and restoration programs.

#### *Conserve the Endangered, Precious and Rare Species*

- The future orientations are to implement the program on conservation of endangered, precious, and rare wildlife species prioritized for protection by 2030, with a vision to 2050, and expect to complete the draft ASEAN Endangered Species Action Plan and submit it to ASEAN countries for approval and implementation in 2024.

#### *Conserve the migratory wildlife*

- Vietnam is a member of the Australia-East Asia Flyway, which is a migration route for many migratory bird species. The Government of Vietnam promulgates directives and action plans for the conservation of migratory birds.

#### *Control and eliminate foreign organisms*

- Vietnam has issued many regulations on invasive alien species management, including the Law on Biodiversity, Circular No. 35/2018/TT-BTNMT, Directive No. 42/CT-TTg, Regional Action Plan ASEAN region, and updated Invasive Alien Species Management List.
- Vietnam will continue to manage invasive alien species by updating lists and regulations.



## Consultation on IKI Vietnam gender community of practice

In her presentation on important updates for IKI implementers, Franziska Kamm from IKI Office emphasised the importance of fostering gender justice in IKI community. IKI promotes gender-transformation approaches and require gender-responsive project planning as a minimum standard for the IKI implementing organisations.



At national level, gender mainstreaming in climate actions was mentioned in different legal policy documents of Vietnam including national strategy on climate change or the NDC. However, detailed guidelines are still missing, and allocated budget is limited, according to Prof. Tran Thuc, the leading climate change expert in Vietnam and chief technical designer of Vietnam's NDCs, during his presentation on the progress in gender integration into climate change policies of Vietnam.



Among IKI implementers, gender practice varies to different extent, from no action to totally align with IKI gender strategy, according to a quick survey conducted by IKI Interface Vietnam. Participants to the Workshop had the chance to listen to two of their IKI colleagues sharing their good gender practices. Café-REDD project shared their gender approaches that are aligned with IKI gender strategy. And the project “Applying seasonal climate forecasting and innovative insurance solutions to climate risk management in the agriculture sector in Southeast Asia” shared their experience in ensuring women’s access to agro-climatic advisory in the Mekong River Delta, Vietnam.



The session closed with discussion on how a gender community of practice among IKI implementers in Vietnam would look like, emphasizing the expectation that it would have a strong link and complimentary activities with the global IKI gender community of practice which is planned to be launched at the beginning of 2024.

# Thematic forum 1

## From climate commitments to actions:

## Running up to COP28 with the Global Stocktake and the Energy Transition

At the thematic forum “From climate commitments to actions: Running up to COP28 with the Global Stocktake and the Energy Transition”, IKI implementers directly exchanged with Philipp Behrens (BMWK) and Pham Van Tan (MONRE) about the climate goals and the IKI implementation. The forum was an opportunity for IKI implementers to highlight their recommendations and questions in an informal setting and discuss them directly with Mr Behrens and Mr Tan, under an agreement that Chatham House rules would be followed.

The topics included decarbonisation potentials, the transformation of the economy, cost and feasibility of climate goals. They discussed the role of the youth as change agents for the transition in IKI projects and the benefits of concrete measures such as walking and cycling.

Mr Behrens and Mr Tan provided an outlook for future cooperation with a perspective to the climate commitments and a potential next NDC of Vietnam and the Just Energy Transition Partnership.



## Thematic forum 2

### From climate commitment to action: 1 year after the adoption of the Global Biodiversity Framework (GBF)

At the thematic forum “From climate commitments to actions: 1 year after the adoption of the Global Biodiversity Framework (GBF)”, IKI implementers directly exchanged with Dr. Ulf Jaeckel, Head of Division European and International Adaptation to Climate Change, BMUV, and Ms. Dam Thi Quynh Nga, Senior Officer, NBCA, MONRE, about Viet Nam’s biodiversity goals, their relevance for climate change adaptation and the IKI implementation. The forum was an opportunity for IKI implementers to highlight their recommendations and questions in an informal setting and discuss them directly with Dr. Jaeckel and Ms. Nga, under an agreement that Chatham House rules would be followed.

The topics included the extension of protected areas, including biodiversity corridors and wetlands, the introduction and financing of OECMs, national biodiversity planning, the importance of forests and forest quality for climate resilience and upscaling of successful models such as ecosystem-based adaptation (EbA).

Dr. Jaeckel and Ms. Nga provided an overview of each country’s priorities and an outlook for future cooperation to meet the goals of the recently adopted GBF.



15 YEARS



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Federal Ministry for Economic Affairs and Climate Action



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IKI PORTFOLIO VIET NAM 2023

BILATERAL

GIZ	SNV	Unabhängiges Institut für Umweltfragen (UfU)	Friedrich-Ebert -Stiftung	GIZ	UNIQUE	WWF
Shifting Investment Flows Towards Green Transformation	Cooperation from PPPs against deforestation	Cultivation of energy plants on set-aside mining sites	Green Youth labs: Training program for innovation and a socially equitable energy transition	Support to Vietnam for the Implementation of the Paris Agreement II	Ecosystem-based adaptation on the northern central coast of Vietnam	Drifting Sands: Mitigating the impacts of CC in the Mekong Delta
Climate Protection through Sustainable Bioenergy Markets	Nature-based Solutions for Adaptation in Agriculture through Private Sector Transformation	Center for Rural Development in Vietnam	Association for Empowerment for Persons with Disabilities	The centre for research on initiatives of community development (RIC)	Institute of construction and urban economics (ICUE)	
		Climate-smart agriculture for ethnic minorities in central Viet Nam	Enhancing resilience of vulnerable communities to counter CC impacts	Strengthening community-based forest management to protect the Da Bac Forests	Preventing erosion on Cua Dai beach through green corridors and parks	

REGIONAL

GIZ	GIZ	KfW	CIAT	UNOPS
Clean, Affordable and Secure Energy for Southeast Asia	NDC Transport Initiative for Asia	Biodiversity conservation in the Central Annamites through ecosystem protection and land management	Applying seasonal climate forecasting and innovative insurance solutions in SEA	South East Asia Energy Transition Partnership
	Global Green Growth Institute (GGGI)			
Proliferation of sustainable consumption and production in Asia – the next 5 countries	The Asia Low Carbon Buildings Transition			

GLOBAL

UNDP	GIZ	GIZ	GIZ	KfW	UNDP	UNDP
Biodiversity Finance Initiative	Implementing the CBD Strategic Plan in the field of marine and coastal biodiversity	Enhancing Climate Services for Infrastructure Investments	Programme for energy efficiency in buildings	Global Climate Partnership Fund	NDC Action – facilitating implementation of climate-resilient and low-carbon development	NDC Support Programme
Support to indigenous peoples' and community conserved areas and territories	Green Cooling Initiative III	Innovation Regions for a Just Energy Transition	Supporting the Nitric Acid Climate Action Group	Mobilising private investments for the implementation of intended NDCs	Integrating electric 2 & 3-wheelers into existing urban transport systems	Partnership for Market Readiness and Implementation
Thematic Trust Fund - Biodiversity and Ecosystem Services Network II	Strategic Environmental Dialogues	Supporting climate strategies in countries where motorisation is rapidly increasing	Policy Advice for Climate Resilient Economic Development	Renewables Academy AG (RENAC)	Green Banking	

Mitigation	Adaptation	Natural carbon sinks	Conserving biological diversity
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15  
YEARS



## IKI Implementing Organisations in the country:



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