

CPEIR in Viet Nam

Some Initial Lessons learnt

Content

- CPEIR within the broader framework of Climate Finance in Viet Nam
- CPEIR Objectives
- CPEIR Scope and Timelines
- Constrains and Next Steps

Climate- And Green Growth Finance in Viet Nam-Recent Developments

- Both the VGGS and the VCCS demand an adequate financing framework
- Viet Nam has been relative successful in mobilizing climate finance (for the period 1944-2011 around 1,0 billion has been mobilized both through ODA, National Budget and private sector financing (these figures are estimates)
- The strategies are overseen by the National Climate Change Standing Committee (led by the Prime Minister)

The Vietnam Green Climate Finance Architecture has been Established/National Implementing Entity (coordinated and led by MPI) based on:

- National Planning/Investment and Public Finance Management (PFM) systems
- Based on International Best practice
- National capacity to develop viable projects

Establish a baseline on the current investment and expenditures and budget classification system

Assessment of the institutional and governance structures in order to improve planning mechanism

A blueprint is developed to establish the Vietnam Green Climate (virtual) fund (based on int. best practice)

Capacity and access to Climate Finance is enhanced at national and local level

Investment/ Green Fiscal needs assessment for the period 2013-2015

CPEIR

Blueprint

CFO

Mitigation Fiscal Framework

CPEIR

- Led by MPI and aims to establish a baseline on climate – and green growth relevant spending for the period 2009-2012.
- The CPEIR is focusing on both the VGGS and the VCCS related expenditures
- A policy typology framework adjusted to the Viet name context is being developed to identify CC and GG related policies, budgetary allocations and expenditures

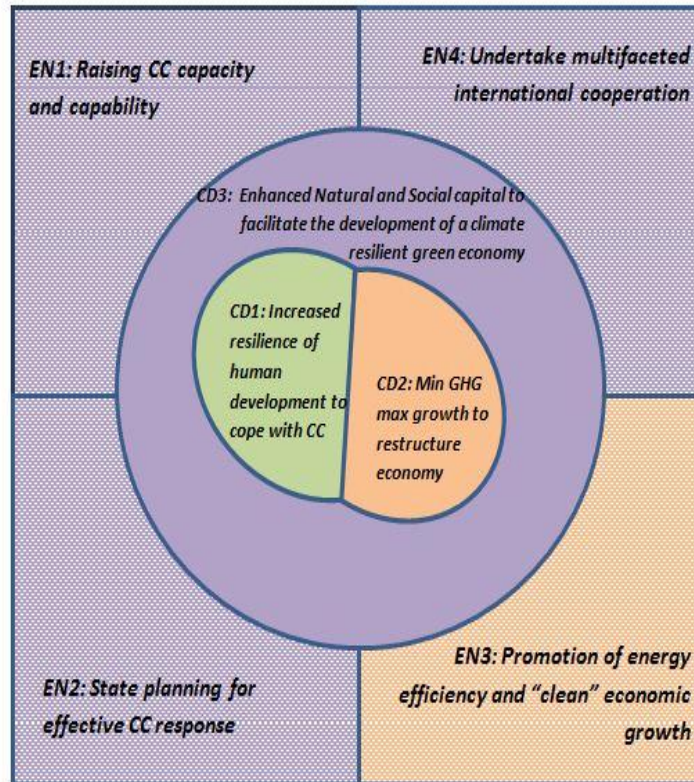
The Scope of the CPEIR

- The Scope of the CPEIR is:
 - ▣ Reference framework. The CPEIR will assess specific expenditures against development objectives, expressed in national policies and strategies as detailed above.
 - ▣ Sectors: The focus will be on 3 key sectors:
 - Natural Resources and Environment (MONRE),
 - Agriculture and Rural Development (MARD), and
 - Industry and Technology (Energy) (MOIT) and
 - two representative provinces (to be finally selected with approval from MPI).
- Type of expenditures. The CPEIR will be based on:
 - ▣ The investment budget included in the state budget at the central and, to the degree possible, at the local level.
 - ▣ Financing of donor projects integrated in the State budget
- Period of the analysis. The PEIR will review the period 2010-2013
- Led by MPI with support of the World Bank and the UNDP

Process and Milestones

- **Milestone 1: First data provision** by MPI (MONRE and initial assessment of MOIT and MARD data)-> end of June
- **Milestone 2: Second data provision** by MPI (finalize MOIT & MARD data)→ End of July
- **Milestone 3:Third data provision** - data provision at DPI (Provinces – PFM visit)→ End of August
- **Milestone 4:Third overview & methodology workshops** (Provinces) and Policy / Institutional interviews organized by team (September)
- **Milestone 5: Final CPEIR accepted by MPI** (December)

VN Policy Typology



Combines key policy elements and deliverables for the VGGS and the VCCS . The typology aims to:

- Identify GG and CC related budgetary allocations and expenditures
- Enables linking with existing International frameworks → links the VN policies with international accepted criteria
- Shows gaps and overlaps in the overall policy response

Constrains

- Depth of analysis of the CPEIR
 - In so far, CPEIR analysis have been conducted at project- and program level → in the case of Viet Nam, this has significant implications on data requirements
- Data availability and Data access due to:
 - Due to decentralized PFM, data are kept at different levels of Government (40% of the overall expenditures are at provincial level)

Next Steps

- The CPEIR is planned to be completed by December 2013
- National Green Action Plan is scheduled to be finalized this summer → will formalize the road map.
- The Action plan will outline additional financial commitments to Green Growth as well as anticipated