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**Review of the Australia-Vietnam Climate Change Delivery Strategy 2011–2016**

**Management Response**

## **Review summary**

**Review objective:** The review’s objective is to highlight achievements, strengths and lessons of the Australia-Vietnam Climate Change Delivery Strategy 2011-2016. Together with analysis of the present situation of climate change policies and responses in Vietnam, the review provides recommendations on how Australia could build on previous investments to strategically position itself in supporting Vietnam to address climate change in the period 2017-2020.

**Review Completion Date:** 26 August 2016

**Review consultant:** Neefjes, Nicolaas PJM, Independent consultant in climate change

**The Australia- Vietnam climate change Delivery Strategy:**

The Delivery Strategy set the framework for a coherent portfolio of climate change assistance of Australia in Vietnam. It was guided by the Government of Vietnam’s climate change priorities and focused on areas where Australia can make a difference. Under the Delivery Strategy, Australia focused on two strategic outcomes of i) building community resilience to respond to climate change and climate-related disasters; ii) promoting low carbon and green growth in Vietnam.

Australia has worked in partnership with Government of Vietnam, World Bank, ADB, UNDP, GIZ and International NGOs.

This was a portfolio desk review and not a specific program/ project evaluation. The review was managed by DFAT Hanoi’s Economic and Development Cooperation Section and fully addressed questions set in the Terms of Reference (TOR). Recommendations were informed by analysis of current context of climate change in Vietnam, consultations with DFAT Hanoi and Canberra, and taking stock of achievements and lessons learnt from the Delivery Strategy implementation. Input from the independent consultant was 10 working days.

## **Response to the review’s recommendations**

| **Recommendation** | **Response**  | **Explanation**  | **Action plan**  |
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| Overall recommendation: Australia should support Vietnam with the implementation of its Intended Nationally Determined Contribution (INDC). | Agree  | Climate change represents significant risks to sustainable growth and long-term poverty alleviation. Australia is signatory to the Paris Agreement, with a commitment to spend AU$1 billion over five years to address climate change. Supporting action on climate change is also consistent with Australia’s commitment to the 2030 Sustainable Development Goals.Addressing climate change is a high development priority for Vietnam. The Government of Vietnam is very committed to the Paris Agreement but needs international assistance to implement its Nationally Determined Contribution (NDC). Australia has experience and expertise to offer in areas of interest to Vietnam. | By the end of 2017, the Australian Embassy Hanoi will develop a strategy paper that outlines Australia’s whole of government approach to work with other stakeholders to support climate change action in Vietnam. This strategy paper will:* build on Australia’s significant investment in climate change programs in Vietnam since 2011;
* align with Australia’s developing economic partnership with Vietnam;
* describe the approach to integrating climate change in Australia’s new and ongoing aid investments in Vietnam;
* focus on areas where Australia has a comparative advantage and strong experience and expertise; and
* recognise the important role of innovation and the private sector.
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| Recommendation A: Australia should maintain and possibly expand its role in addressing climate change in the Mekong Delta.  | Agree | A safe, prosperous and sustainable Mekong Delta stays high in the development agenda for Vietnam. The region has been a geographical focus for Australia for more than 20 years with significant achievements. Continuing Australian engagement in the region as a long term trusted and confident partner promotes Australia’s interest by enhancing our visibility and reputation in the region, leveraging high level of influence for Australia over the Delta’s sustainable development agenda. | Action A1: DFAT will work with the World Bank to improve climate resilience in the Mekong Delta under the second phase of the Australia-World Bank Partnership.Action A2: Australia will identify strategic investments and engagement to support the response to climate change in the Mekong Delta. This will include mainstreaming climate change in our economic development partnership, leveraging DFAT’s global and regional programs and funding, identifying business links, and focusing on areas where Australia has a comparative advantage (such as water resource management).Action A3: Australia will continue to engage closely with GIZ on the Integrated Coastal Management Program (ICMP) until its completion in July 2018, and will explore opportunities for maintaining Australian engagement in future phases of the program (including identifying links with Australian research institutions and the private sector). |
| Recommendation B: Australia should consider joining other Development Partners in addressing increased energy efficiency and renewable energy deployment in Vietnam.  | Agree | Access to renewable or cleaner energy promotes economic growth and human development, and is consistent with the priorities of Australia’s developing economic partnership with Vietnam. Australia has significant expertise and experience to offer in the emerging Vietnamese renewable power market.Mitigating GHG emissions is one of two components of Vietnam’s NDC (the other is climate change adaptation).  | Action B1: Australia will work with Government of Vietnam and other development partners to identify opportunities for leveraging Australia’s expertise in energy efficiency and renewable energy development, including through links to the Australian private sector and research institutions.Action B2. On an ongoing basis, the Vietnam Climate Innovation Centre (VCIC) explores the opportunities for Australia to engage into policy dialogue re energy efficiency, renewable energy, sustainable agriculture, Water management and filtration, Public Private Partnership model in Science and Technology in Vietnam within the project planned activities; and more broadly on economic partnership in innovations and technologies between Australia and Vietnam. |
| Recommendation C: Climate change considerations should be mainstreamed in the five new investments of the Australia’s Aid Investment Plan, AIP in Vietnam. | Agree | To meet Australia’s commitments to the Paris Agreement and 2030 Sustainable Development Agenda and to ensure optimal aid delivery, all programs are required to effectively integrate climate change into the aid program and report on climate change spending. | Action C1. Climate change considerations will be integrated across all of Australia’s new and ongoing aid investments in Vietnam. We will adopt a strategic approach that is aligned with our development priorities and considers our broader foreign policy objectives in Vietnam.Action C2. The Australian Embassy Hanoi will work closely with aid implementing partners to share DFAT guidance on climate change and develop appropriate responses. |
| Recommendation D: Australia should join Development Partners- GoV partnerships and climate policy engagement | Agree | NA | Action D1: Australia will continue its active participation and engagement in the Mekong Delta Working Group in Vietnam. This will facilitate Australia’s inputs to climate platforms in Vietnam, e.g. the Mekong Delta Forum on climate change adaptation and mitigation Action D2: As part of the process of developing a strategy paper for Australia’s climate change engagement in Vietnam, different sections of the Embassy will identify opportunities for Australia to engage into policy dialogue with GoV and other development partners in the areas of climate change adaption and mitigation.  |