Mid-Term Review: Viet Nam Private Sector Development Partnership (VPSDP)

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The Viet Nam Private Sector Development Partnership (VPSDP) program is supported by the Australian Government and implemented by the International Finance Corporation (IFC).

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Abbreviations

Term	Definition
AES	Australian Evaluation Society
BRI	Building Resilience Index
CPSD	Country Private Sector Diagnostic
DAC	Development Assistance Committee
DFAT	Department of Foreign Affairs and Trade
DPP	Development Partnership Plan
EEES	Australia-Vietnam Enhanced Economic Engagement Strategy
EMERGE	Empowering Enterprises to Reach Gender Equality
EOPO	End of Program Outcome
ESG	Environment, Social and Governance
FDI	Foreign Direct Investment
FIG	Financial Institutions Group
GBV	Gender Based Violence
GEDSI	Gender Equality, Disability and Social Inclusion
GoA	Government of Australia
GoV	Government of Vietnam
IBST	Institute for Building Science and Technology
IFC	International Finance Corporation
J-CAP	Joint Capital Markets
KEQs	Key Evaluation Questions
KII	Key Informant Interview
MAGC	Market Accelerator for Green Construction
MCI	Morrissey Consulting International
M&E	Monitoring and Evaluation
MEL	Monitoring, Evaluation and Learning
MTR	Mid-Term Review
NBFI	Non-Bank Financial Institutions
PSC	Program Steering Committee
OECD	Organisation for Economic Cooperation and Development
SDG	Sustainable Development Goals
SME	Small to Medium Enterprises
UN	United Nations
VECAS	Viet Nam Engineering Consultant Association
VPSDP	Vietnam Private Sector Development Partnership
WBG	World Bank Group

Executive Summary

This report outlines the key findings and associated recommendations of the final mid-term evaluation of the *IFC Viet Nam Private Sector Development Partnership (VPSDP)* program. The VPSDP is a five-year AUD15million investment funded by the Government of Australia (GoA) through the Department of Foreign Affairs and Trade (DFAT) and implemented by the International Finance Corporation (IFC). The Mid-Term Review (MTR) was completed between January and March 2026. The MTR comprised a desk review of available documents, a field mission to Viet Nam from 1 to 9 February 2026, and a mix of online and face-to-face interviews.

Purpose and Scope

The purpose of the MTR was to (i) independently assess the VPSDP's effectiveness and efficiency in achieving the intended End of Program Outcomes (EOPOs) to date; and (ii) based on the summative assessment, provide recommendations for improvement, and strengthen the alignment with GoA and Government of Vietnam (GoV) policies and objectives.

The scope of work will cover the period April 2022 to December 2025. The MTR applied the Organisation for Economic Co-operation and Development – Development Assistance Committee (OECD-DAC) evaluation criteria, with particular focus on relevance, coherence, effectiveness, and efficiency.

Approach and Methodology

The MTR aligned with DFAT's Evaluation Policy and Design and Monitoring, Evaluation, and Learning Standards[1]. Throughout the process, the mid-term review considered VPSDP's strategic goals and outcomes, as well as DFAT's specific evaluation requirements. The MTR was primarily qualitative and utilisation-focused to ensure it was conducted to enhance the utility of its findings and the process, thereby informing decisions and improving outcomes. There were eight primary Key Evaluation Questions (KEQs) supported by five secondary questions. All questions were considered and addressed in the key findings.

Key Findings

Relevance

The VPSDP is a well-designed, well-structured program highly relevant to both the GoA and the GoV. Through its project selection and implementation, the program demonstrates its ability to respond to the current and emerging needs and priorities of the private sector and the GoV.

The Partnership aligns closely with IFC's Country Private Sector Diagnostic (CPSD)[2] "Creating Markets in Vietnam", which has a strong focus on private sector development through strengthening the regulatory environment and enhancing access to finance, bridging skill gaps and shortages, and improving core infrastructure services that support growth. The CPSDP is prepared jointly using IFC and World Bank staff's complementary knowledge and expertise in private sector development, and provides a common basis for the country's policy makers, the private sector, and the World Bank Group (WBG) to engage.

IFC, through VPSDP, has prioritised clients' needs through consultations and engagements over the program's life to date. IFC has built significant "social capital" with stakeholders across the portfolio of

[1] Specifically Standard 9 with the development of an approved Evaluation Plan and Standard 10 which relates to this mid-term evaluation report.

[2] https://www.ifc.org/content/dam/ifc/doc/mgrt/cpsd-vietnam-v2.pdf

work. Partnership arrangements remain "fit for purpose" and relevant. IFC has also responded well to DFAT requests, input and feedback. However, there is room for improvement.

Based on the findings and evidence, the MTR assigns a "highly satisfactory" rating to relevance.

Coherence

The VPSDP is a tightly focused, structured program that aligns with and supports DFAT's broader mandate to support Viet Nam. As the relevance section indicates, the program is well-positioned to support the broad policy and strategic objectives and approaches of both the GoV and the GoA.

The VPSDP has also committed to raising visibility and awareness, thereby fostering greater coherence and opportunities for collaboration. IFC's work to date demonstrates a strong focus and alignment with private sector and firm-level priorities. However, some projects may become somewhat fragmented, often operating in isolation without a long-term "line of sight" to achieve agreed-upon development outcomes. The "pillar structure" underpinning the program is well-structured and prioritised; however, there is a risk that some projects become "individual" in nature, focusing on specific results while not fully aligned with the overall narrative.

IFC established a comprehensive Monitoring and Evaluation (M&E) Framework. The M&E framework outlines the Partnership theory of change, modality, and methodology. The M&E Framework included a fit-for-purpose project-level monitoring and evaluation system using standard and project-specific indicators to complement the approach and align with DFAT's Design and MEL Standards. While individual projects operate under their respective logframes, they collectively feed into a programmatic logframe that aggregates results and defines overall targets for the VPSDP. The system is supported by ongoing quality control and independent evaluation[3]. Significantly, for DFAT's interests, IFC also ensures that gender analysis is undertaken for each project with an assessment conducted at the outset and risks updated every six months. In addition, some projects are "gender flagged", which means a specific opportunity for gender related interventions has been identified. At the time of the MTR, 94% of all VPSDP portfolio projects (active and closed) have a gender flag.

For VPSDP as a whole, the projects, over time, each contribute meaningfully to the results sought. For this reason, aggregating project results alone is insufficient to understand the program's progress or support program improvement. Looking ahead, the VPSDP could benefit from developing a series of short case studies or "performance stories" type approaches to explore and apply a more evaluative focus on the progress and achievement of specific activities.

In considering the findings and evidence, the MTR assigns a "highly satisfactory" rating to coherence.

Effectiveness

To date, VPSDP has demonstrated an evident ability to respond and adapt to the evolving needs of the private sector. IFC designs well-structured projects that are grounded in and linked to technical experience and expertise, and that align with relevant IFC and government strategies and policies**.** Activities and projects are primarily funded for the long-term and have a clear "end state" however some projects are also designed to test new ideas and approaches as "pilots". If a project is intended only as a single "pilot", this is clearly stated and communicated with DFAT.

A summary of results against each pillar includes:

[3] A network of Results Measurement Specialists and Economists specialized in their respective sectors are utilized by IFC to i) Provide guidance on project design; ii) Set indicators and methodology; iii) Ensure consistency and compliancy; iv) Conduct data validation and verification; v) Collaborate with project team to conduct evaluations and studies; vi) Contribute to institutional learning and development strategy

Pillar 1 – Enabling Environment for the Private Sector: This pillar involves economy-wide and sector-specific interventions to create a more conducive business environment that supports inclusive private-sector investment. Under this pillar, IFC has continued its strategic engagement, focusing on improving the investment climate to enable competitive, sustainable, and inclusive private sector development in Viet Nam. The project under this pillar has not been highly visible and could be viewed as an "add-on" when compared with other projects funded under other Pillars.

Pillar 2 – Accelerating Inclusive and Climate Smart Private Investment in Key Growth Sectors: Viet Nam's private sector has begun to play a dynamic role in transitioning to low-carbon, inclusive development. The Green Buildings project leverages IFC's experience across South and South-East Asia, with a focus on the EDGE application. To date, the EDGE program has certified projects covering 857,851 sqm of floor space, of which 81% (694,592 sqm) were residential, introducing 6,106 green housing units. Beyond housing, the project has supported a diverse portfolio, including offices (78,033 sqm, 4 projects), hospitality (29,971 sqm, 1 project), retail (29,845 sqm, 4 projects), and factories (25,411 sqm, 2 projects). The Building Resilience Index (BRI) and the Green Buildings projects are closely aligned with the BRI designed to identify climate risks posed to the building sector, and Green Buildings aimed at mitigating those risks. The food safety and food loss projects demonstrate the broad level of engagement and coverage IFC can maintain using a relatively small envelope of funding through VPSDP. This is a significant value add.

Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector: Under this pillar, IFC seeks to accelerate the green transformation of Viet Nam's financial sector. IFC will work with financial institutions to build and expand their climate finance product offerings and the share of green finance projects in their portfolios. A key result is that IFC has developed a scalable, workable model that can influence and support other commercial banks in increasing their green finance portfolios. There is evidence of growing demand from Banks (i.e., SEA Bank, OCB, and Maritime Bank) to continue reviewing internal operations, ensure compliance, and support understandings to raise additional finance, as well as potentially issue their own structured instruments to secure finance. Additional work through Non-Bank Financial Institutions (NBFIs) is critical to addressing this issue, as the project's support focuses on small- to medium-sized enterprises (SMEs). The Joint Capital Markets (J-CAP) project[4] and the Blue Finance project are good examples of relatively small investments that have the potential for ongoing growth.

Pillar 4 – Enhancing Gender Equality, Inclusive Development and ESG standards: Activities under the VPSDP are aimed at accelerating progress on gender equality and women's empowerment as a key aspect of the economic recovery, whilst enhancing the sustainability of private investment in Viet Nam by increasing adherence to international Environment, Social and Governance (ESG) standards and risk management. The Empowering Enterprises to Reach Gender Equality (EMERGE) is the largest investment under Pillar 4 and one of the largest investments under the VPSDP. Complementing the approach is data collection work to address additional market solutions and gender gaps. This is most evident through the assessment of childcare. A similar study is also being conducted on disability to address the lack of relevant and current data and statistics. The project on gender-smart climate diagnostics is less visible than other activities under the pillar, as it has closed. When active, the project had a high degree of momentum and visibility. The climate leaders network launch was well attended, and IFC organised a career fair for women interested in climate jobs.

Considering the findings and evidence, the MTR assigns a "satisfactory" rating to effectiveness.

Efficiency

[4] This project cuts across Pillar 1 and Pillar 3

The program is efficient, underpinned by solid systems and processes. This is critical given the considerable size and scope of most projects funded through the portfolio. Importantly, projects are delivered through existing systems, predominantly using locally engaged and regional staff and consultants. The program technically has 15 months remaining and an overall burn rate of 65%. The lowest project by expenditure was the *Vietnam Food Safety and Food Loss* project (24%). Given the relatively large budget for this project, it has contributed to a lower overall budget rate than would be expected at this stage of implementation. The low burn rate was due to the project also receiving a financial contribution from the Republic of Korea, which was exhausted before DFAT funds were utilised.

In considering the findings and evidence, the MTR assigns a “highly satisfactory” rating to efficiency.

Sustainability

Overall, projects and investments funded under the program are highly likely to be sustainable, given that they were primarily designed and implemented in a staged, considered manner and align with the previous and current GoV's priorities and needs. The other key evidence point is that several interventions under the VPSDP have been “converted” into IFC investments and private financing, which brings a certain level of sustainability, given the confidence to continue funding and supporting initiatives through private sources.

The only outstanding sustainability questions concern project work under Pillar 1. While the work here is targeted, it requires significant time and investment and is subject to factors and context outside the program's control or influence. However, several key lessons have been learned and derived here that should provide a sound foundation for future decision-making.

Projects funded under VPSDP, in some instances, have been designed as “pilot in nature”, which allows for opportunities to test and trial. A key feature of the program has been the staged approach to implementing and managing core projects. Projects such as these have been designed and prioritised through close consultation, both internally within IFC and in consultations with DFAT. This finding is not a criticism; it presents an opportunity to establish clear selection criteria and consultation processes for identifying priority projects. The program's ability to evolve and prioritise projects that build on successive iterations is crucial. This is evident through the Green Finance and Green Buildings work under Pillars 2 and 3. Future iterations of the program should prioritise and design longer-term projects from the outset with clear stages that can be programmed, monitored, and assessed over time.

Future programming should emphasise longer-term, staged projects, with a particular opportunity to concentrate on agri-business. A key supporting finding is that agribusiness is a focus because Viet Nam has been selected as a pilot country under the WBG’s new AgriConnect strategy. This creates opportunities to strengthen private-sector engagement in agribusiness further while building on existing VPSDP initiatives such as Green Finance, Blue Finance, and the Food Safety and Food Loss projects.

In considering the findings and evidence, the MTR assigns a “satisfactory” rating to sustainability.

Gender Equality, Disability and Social Inclusion (GEDSI)

IFC’s gender and inclusion team supports the private sector in driving a more inclusive allocation of capital, creating more inclusive employment and leadership, and supporting inclusive supply chains. The program has also sought to adopt disability-inclusive approaches. The most appropriate example is the disability diagnostic, which should provide a solid foundation for future engagement. While gender and disability requirements are comprehensive and robust within DFAT, it is important to acknowledge that implementing partners also need time to adjust systems and processes. Progress is positive, but context and systems limit the pace of change. DFAT and IFC can further build on the successful dialogue and activities on disability inclusion to advance disability-inclusive private sector development.

Recommendations

Key recommendations for the program and partnership to consider include:

Recommendation 1: The IFC should continue to seek solutions to expedite activities with a "low burn" rate and accelerate implementation while maintaining quality and standards. There is scope in the lead-up to the completion report to develop a coherent narrative of overall support and engagement.

Recommendation 2: IFC should explore options to expand further opportunities to build on gender and disability work and investments to date. Work in the sector should be incremental and staged, and recognise the need for care consultation and engagement with both public- and private-sector institutions and enterprises. GEDSI approaches should be fit for purpose and prioritise awareness raising and understanding, leading to more long-term institutional support and associated reforms.

Recommendation 3: The current partnership arrangement has demonstrated an effective support mechanism. Existing governance mechanisms remain relevant and fit-for-purpose and should be maintained and supported. There is scope to build on the partnership model and promote more information engagement on areas of mutual interest. This could be facilitated through an initial series of presentations and operational deep dives, which could transition into more formal, program-wide, monthly meetings on additional topics of interest to deepen understanding and shared experiences. There is also scope to deepen engagements across programs, for example, with the Investing in Women program.

Recommendation 4: IFC should continue to explore a structured and specific approach to MEL. While the current program has implemented an approach to MEL that is "fit-for-purpose", there is scope to continue building on and leveraging this, particularly with the future use of an MEL resource to prepare more outcome-focused knowledge products, such as case studies and performance stories. This should be prioritised for implementation over the remaining few months but considered more fully if a new program is considered.

Recommendation 5: There is sufficient evidence of progress towards outcomes and key results from the current VPSDP to justify and support ongoing investment in private-sector initiatives. Future investments should continue to support, build, and leverage existing IFC private-sector investments initiated under the current program, and remain aligned with the priorities and focus areas for the GoV and GoA.

Introduction

This report outlines the key findings and associated recommendations of a mid-term review (MTR) of the *Viet Nam Private Sector Development Partnership (VPSDP)* program. VPSDP is a collaboration between the Government of Australia (GoA) through the Department of Foreign Affairs and Trade (DFAT) and the International Finance Corporation (IFC)[5].

VPSDP commenced in April 2022 and runs until the end of June 2027 and has a total funding envelope of AUD15 million. VPSDP is one of the mechanisms through which DFAT supports the government of Vietnam (GoV) in achieving its development objectives. VPSDP has evolved through shared but distinct policy interests between the two governments.

The MTR was completed between January and March 2026. The MTR comprised a desk review of available documents, a field mission to Vietnam from 1 to9 February 2026 and a mix of online and face-to-face interviews. A total of 38 people (15 male and 23 female) participated in various consultations, interviews and engagements to contribute to the MTR. The Terms of Reference (ToR) for the MTR are included as Annex 1.

Program Background

The program commenced in April 2022 and runs until the end of June 2027. VPSDP has a total funding envelope of AUD15 million from DFAT. The overall goal of this multi-year advisory program is *to enhance the competitiveness and diversification of the private sector and to foster inclusive and sustainable COVID-19 recovery and economic growth.* The goal statement is supported through four mutually reinforcing pillars:

- **Pillar 1 – Enabling Environment for the private sector:** Interventions geared towards improving the business enabling environment – legal and regulatory – through “bottom up” reform efforts that create a more attractive framework for inclusive private investment in the wake of COVID-19 across key sectors.
- **Pillar 2 – Accelerating inclusive and climate-smart private investment in key growth sectors:** Creating concrete opportunities for facilitating private sector investment, including direct investment by IFC, in key sectors including tourism, infrastructure, agriculture, and the financial sector, whilst advancing climate change mitigation and adaptation and to support a gender-equal recovery from COVID-19
- **Pillar 3 – Creating a green, sustainable, and inclusive financial sector:** Enhancing financial inclusion and accelerating the green transformation in the financial sector. Interventions support financial institutions in building and expanding their financial product offerings by developing and launching inclusive and green finance products.
- **Pillar 4 – Enhancing Standards & Gender Inclusion:** Adoption of best practices in Environmental and Social Governance (ESG) and accelerating women’s economic empowerment by addressing key barriers to women’s participation, including childcare and Gender-Based Violence (GBV).

VPSDP is implemented through a range of IFC projects that align with and contribute to the four program pillars outlined above. The projects are jointly identified and designed through in-country analysis and consultation with DFAT and key private- and public-sector stakeholders. Each project has its own internal

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[5] IFC is the largest global development institution focused exclusively on the private sector. As part of the World Bank Group, IFC works to improve people's lives in developing countries by investing in private sector growth. To achieve this goal, IFC finances private sector investments, mobilises capital in international financial markets, facilitates trade, helps clients improve social and environmental sustainability, and provides advisory services to businesses and governments. IFC is strongly focused on measuring development results to understand the impact of its projects on clients and countries.

logic and intended results that contribute towards an overall assessment of progress towards key End of Program Outcomes (EOPOs). They are derived from the strategy that guides the World Bank Group's (WBG) work in Viet Nam.

VPSDP has not, therefore, been designed as an overall project or program with a simple linear connection to specific results. It is a description of the work IFC undertakes (groups of projects) that both parties expect will make a significant contribution to progress across the four pillars. Table 1 below summarises all projects funded under the partnership.

Image 1: Infographic showcasing the four pillars under Vietnam Private Sector Development Program

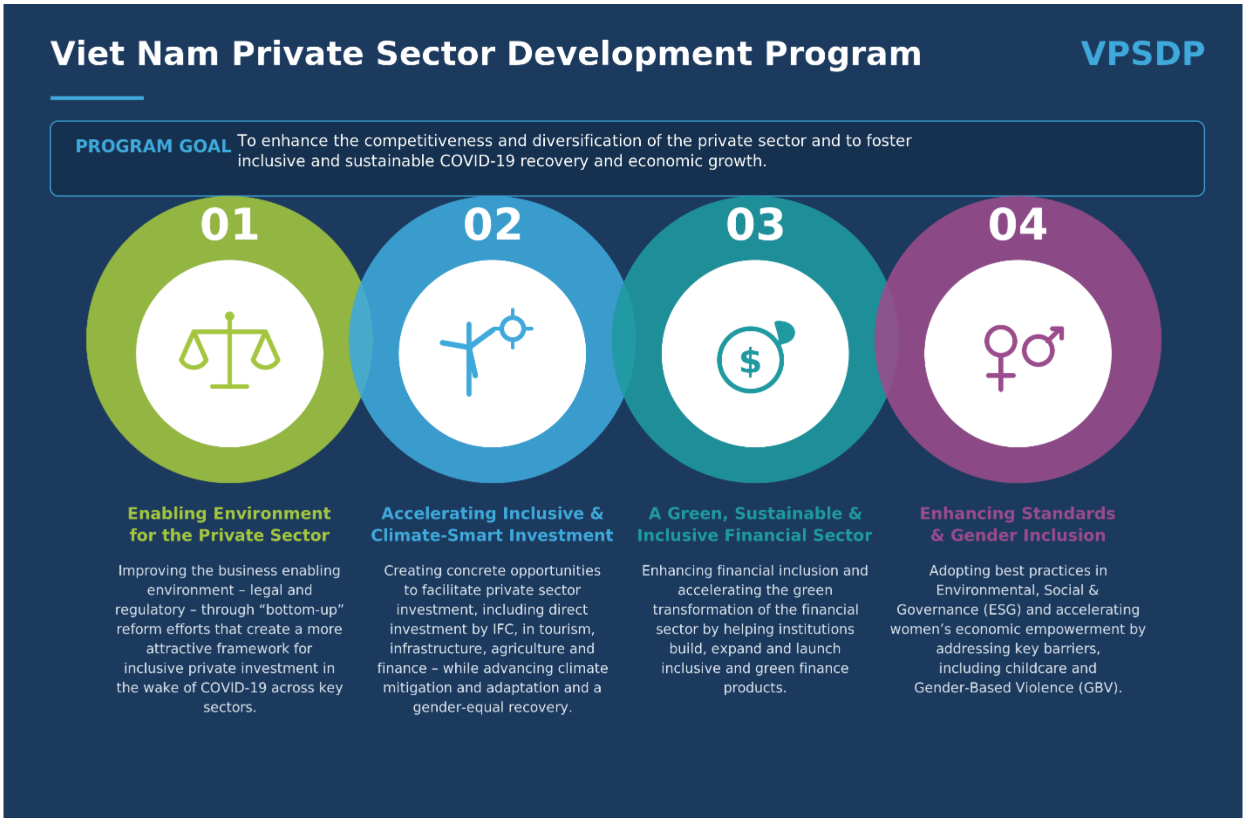

Table 1: Viet Nam Private Sector Development Partnership Portfolio Summary

Active projects

Project Name	Partnership Pillars	VPSDP Funding	Date Funding Approved	Project End Date
Investment Policy Reform	Pillar 1 -- Enabling Environment for the Private Sector	$700.000	October 2022	June 2026
Joint Capital Markets Program	Pillar 1 - Enabling Environment Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector	$360.000	January 2025	June 2027
Green Buildings	Pillar 2 – Accelerating inclusive and climate-smart private investment in key growth sectors	$650.000	October 2022	December 2026*

Project Name	Partnership Pillars	VPSDP Funding	Date Funding Approved	Project End Date
Building Resilience Index (BRI)	Pillar 2 – Accelerating inclusive and climate-smart private investment in key growth sectors	$900.000	October 2022	December 2027*
Food Safety Food Loss	Pillar 2 – Accelerating inclusive and climate-smart private investment in key growth sectors	$1.050.000	January 2024	December 2027*
Green Finance Umbrella	Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector	$1.280.000	October 2022	June 2027
Non-Banking Financial Institutions	Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector	$230.000	November 2023	December 2026
Blue Finance	Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector	$245.000	January 2025	June 2027
EMERGE	Pillar 4 - Enhancing Gender Equality, Inclusive Development, and ESG Standards	$1.886.770	October 2022	December 2026
Gender-Smart Climate Diagnostic	Pillar 4 - Enhancing Gender Equality, Inclusive Development, and ESG Standards	$380.000	August 2023	June 2025

Closed projects

Project Name	Partnership Pillars	VPSDP Funding	Date Funding Approved	Project End Date
Digital Financial Services (Phase II for the DFS Project was approved in September 2025)	*Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector*	*$275.000*	*TBC*	*TBC*
Embedded Finance	*Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector*	*$350.000*	*TBC*	*TBC*

Developed during the first 12 months of the Partnership, the interventions are guided by a comprehensive Monitoring and Evaluation (M&E) Framework. The M&E framework outlines the Partnership theory of change, modality, and methodology.

Purpose and Scope of the Evaluation

Purpose

The purpose of the MTR was to (i) independently assess the VPSDP's effectiveness and efficiency in achieving the intended EOPOs to date; and (ii) based on the summative assessment, provide recommendations for improvement, strengthen the alignment with Goa and GoV policies and objectives.

The MTR also calls for an evidence base to inform possible future directions, approaches, and structures based on the evaluation itself and the data, information, and evidence collected. Guidance is provided at two levels: (i) for the remainder of the program through to June 2027, and (ii) broader guidance on a possible future design and implementation arrangement.

Scope

The scope of work will cover the period April 2022 to December 2025. The MTR applied the Organisation for Economic Co-operation and Development – Development Assistance Committee (OECD-DAC) evaluation criteria, with particular focus on relevance, coherence, effectiveness, and efficiency. The MTR process (and report) also complied with DFAT's Design and MEL standards, specifically Standard 9 (Evaluation Plans) and Standard 10 (Independent Evaluation Reports).

In applying these standards and criteria, the MTR:

- Assessed how VPSDP is relevant to the country-specific objectives of the GoA and GoV, and how it aligned with the IFC's strategic objectives.
- Assessed the effectiveness of VPSDP activities in advancing the overall partnership objective.
- Reviewed and assessed the relevance and effectiveness of the program logic and MEL framework in monitoring and evaluating the program.
- Assessed the extent to which the partnership activities help to strengthen the coherence with other initiatives (of IFC and Australia)
- Assessed how the partnership was making use of available resources to achieve its objectives
- Assessed the extent to which gender equality, disability and social inclusion (GEDSI) issues were addressed as stand-alone topics or as integral components of the partnership.

Approach and Methodology

The MTR aligned with DFAT's Evaluation Policy and Design and Monitoring, Evaluation, and Learning Standards[6]. Throughout the process, the MTR considered both VPSDP's strategic goals and outcomes and DFAT's specific evaluation requirements.

The MTR was primarily qualitative in nature and utilisation-focused,[7] ensuring it was conducted to enhance the utility of its findings and the process, thereby informing decisions and improving outcomes.

The utilisation-focused approach involved three steps. First, the MTR analysed the primary stakeholders, including their specific information needs (e.g., through in-depth inception briefings with IFC and DFAT) and the most effective way to communicate with each stakeholder group. Second, the MTR ensured that primary stakeholders understood the evaluation approach, the strengths and limitations of the generated evidence, and how to interpret the findings. Third, the MTR ensured that the evaluation objectives and

[6] Specifically Standard 9 with the development of an approved Evaluation Plan and Standard 10 which relates to this final evaluation report.
[7] Patton, Michael Quinn (2013): Utilization-Focused Evaluation (U-FE) Checklist, in: Patton (2012): Essentials of Utilization-Focused Evaluation, Sage Publications.

questions addressed stakeholders' priority information needs. Primary stakeholders included DFAT, IFC, and implementing project partners and clients.

The MTR commenced with a series of activities to clarify the scope and approach, including:

- **Identification of key stakeholders** for consultation and early analysis of their roles and relationships regarding program implementation and management. Annex 2 lists people engaged in the MTR through Key Informant Interviews (KIIs) and group discussions.
- A **scan of available documentation** and an in-depth analysis of key documents, including the VPSDP investment design, partnership agreements, and key program reports to date, and to identify key issues and stakeholders for the evaluation. Annex 3 lists all documents reviewed.
- **Liaising with IFC and DFAT** to clarify the MTR's intent, prioritise questions, and identify factors to consider during data collection and reporting. The briefings also helped the evaluation identify key issues to address and practical considerations for data collection and stakeholder engagement.
- **Agreement of Key Evaluation Questions (KEQs)** and relevant secondary questions against the evaluation criteria, as well as an indication of how these are expected to be answered from multiple sources.
- Clarification of **ways of working**, evaluation, management and governance.

Key Evaluation Questions

The MTR complied with the approved ToR (Annex 1) and applied OECD-DAC criteria of relevance, coherence, effectiveness, efficiency, and sustainability. The MTR adapted the evaluation questions slightly to align with specific information needs. Table 2 summarises the final KEQs and associated secondary questions. The focus was on addressing primary questions, but secondary questions also informed and guided the questioning and overall analysis.

Table 2: VPSDP KEQs and Secondary Question

Criteria/Questions	Primary Questions	Secondary Questions
Relevance	• To what extent was the VPSDP projects/activities relevant to Australia, IFC strategic objectives in Viet Nam?	N/A
Coherence	• To what extent did the VPSDP and its interventions complement (and collaborate with) other private sector development work being undertaken in Viet Nam?	• Include reference to the value of the Partnership for DFAT's policy objectives included in the M&E Framework.
Effectiveness and Impact	• To what extent has the VPDSP delivered its anticipated impacts, with particular reference to the evaluative questions in the M&E framework? • How effectively has the Partnership been able to respond and adapt to the evolving needs of private sector stakeholders and the enabling environment for private investment in Viet Nam? • To what extent gender equality and social inclusion issues have been addressed in VPSDP?	• Refer to the range of project types/interventions (firm level technical advice, government technical advice etc.) and describe overall progress to date, and any identified barriers including those related to delivery in complex/challenging environments.

Criteria/Questions	Primary Questions	Secondary Questions
Efficiency	• To what extent has VPSDP maintained appropriate use of financial, human and technical resources in both implementation and management?	• To what extent VPSDP resources able to respond/address the critical gaps of the private sector and client government agencies in Viet Nam? - Refer to the needs of clients which include government, firm and market level stakeholders. - Refer to the ability of Partnership design and partners (risk management and governance arrangements and resources etc.) to facilitate this evolution.
Sustainability	• What are the overall highlights and lessons learned for the VPSDP in terms of design of private sector development and investment programming in Viet Nam? • Based on the evidence identified and analysed, what are potential areas for further improvement going forward?	• Include reference to impacts related to gender, disability and climate change • To what extend the impacts are likely to be sustained?

In the report below, coherence and effectiveness have been switched around. This was primarily because elements of the MEL framework were introduced in the coherence section, which had direct implications for aspects of effectiveness.

Evaluation Limitations

All evaluations and reviews are constrained by time and resources. Some limitations of this review are outlined below:

Time and Resources: The rigour of the data-gathering analysis was constrained to some extent by the available time. The evaluator met with all identified key stakeholders but had limited time for follow-up meetings and discussions. However, the evaluator worked closely with IFC and DFAT to identify and select key stakeholders to meet with during the interview process.

Representation of Stakeholders: Careful consideration was required to ensure an appropriate mix of stakeholders, particularly those involved in day-to-day implementation and management. This issue was discussed with IFC, and appropriate targeting and participant selection were implemented, particularly to ensure equal representation of Clients.

Judgements: Time constraints often required professional judgement to interpret stakeholder perspectives.

Attribution: The program operates in a fluid, dynamic environment, with many factors influencing performance and operational efficiency. Defining and identifying specific attribution areas remained challenging; however, some examples of attribution were identified.

Key Findings

The following sections provide key findings and analysis against the ToR and the KEQs listed above. Secondary questions are integrated into relevant sections and sub-sections, highlighted to demonstrate coverage and completeness. The report has also assigned a rating based on each criterion on a four-point scale.[8] The results also inform a series of recommendations and guidance for project staff and stakeholders to consider in future interventions.

Relevance

Relevance is the extent to which an intervention's objectives and design respond to beneficiaries, country, and partner/institution needs, policies, and priorities, and continue to do so if circumstances change[9]. Three aspects of relevance were explored through this evaluation: the needs of both the governments of GoA and GoV, firms, and the Partnership itself. The findings regarding the KEQs (and incorporated secondary questions) are presented below.

KEQ 1: To what extent are the VPSDP projects/activities relevant to Australia, IFC strategic objectives in Viet Nam?

The VPSDP is a well-designed, well-structured program highly relevant to both the GoA and the GoV. Through its project selection and implementation, the program demonstrates its ability to respond to the current and emerging needs and priorities of the private sector and the GoV.

The program aligns with the GoA's *Invested: Australia's Southeast Asia Economic Strategy to 2040*.[10] VPSDP specifically targets the strategy's priorities in agriculture and food, the green energy transition, infrastructure, the digital economy, and professional and financial services. Importantly, the projects implemented under the VPSDP also provide a basis for engagement and longer-term financing through Investment Deal Teams[11]. At the country level, VPSDP aligns with the *Australia-Vietnam Enhanced Economic Engagement Strategy (EEES)*[12]. The EEES identifies several sectors in which both Australia and Viet Nam have particular strengths that can underpin and deepen trade and investment. Like the broader *"Invested Strategy",* the VPSDP provides direct, tangible support to the Strategy's priority areas of agriculture, fisheries, manufacturing, the digital economy, and professional services.

The VPSDP also aligns with the broader Australian International Development Policy 2023, which seeks to build on existing partnerships to create social and economic value. The VPSDP contributes to *"building effective and accountable states that drive their own development"* and *"enhancing state and community resilience to external pressures and shocks."*

The VPSDP also closely aligns with *DFAT's Development Partnership Plan (DPP) 2025-2030*, which translates the development priorities outlined in the strategies and policies above into action. Specifically, the VPSDP aligns with the *DPP's Strategic Objective 1: An inclusive, resilient, sustainable, and prosperous economy,* with particular focus on *Outcome 1.1: Enhanced private sector development, productivity, and competitiveness; and Outcome 1.2: Strengthened innovation and digital capacity.* The VPSDP has also raised its profile to contribute more to *Objective 3: Strengthened climate resilience, adaptation, and emissions reduction by* supporting the GoV and GoA in achieving *Outcome 3.2: Strengthened transition to a low-carbon economy in response to climate change and the 2050 net-zero emissions target.*

From the outset, VPSDP has aligned itself with DFAT's core global strategies including the *Partnerships for Recovery: Australia's COVID-19 Development Response*, *Gender Equality and Women's Empowerment Strategy*, the *Strategy for Australia's Aid Investments in Private Sector Development*, *Australia's Strategy for Investments in Economic Infrastructure*, and the *Strategy for Australia's Aid Investments in Agriculture,*

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[8] OECD-DAC evaluation dimension based on a four-point scale - highly satisfactory, satisfactory, partly unsatisfactory, unsatisfactory.
[9] Evaluation Criteria - OECD
[10] https://www.dfat.gov.au/southeastasiaeconomicstrategy
[11] Export Finance Australia (EFA) supports Australian exports and overseas infrastructure development with flexible finance solutions. EFA helps Australian small and medium-sized enterprises (SMEs) to large corporates, foreign governments and infrastructure projects. EFA provide a range of finance solutions, including loans, bonds, guarantees and, in limited circumstances, equity. https://www.exportfinance.gov.au/
[12] https://www.dfat.gov.au/australia-vietnam/eees/en/index.html

Fisheries and Water. An important finding is joint engagement between DFAT and IFC to evolve the program away from an initial negotiated design feature as a COVID-19 response mechanism to one that focuses on more long-term development priorities aligned with the needs of the GoV. This has been a significant achievement and demonstrates an ability to maintain and progress relevance.

VPSDP contributes globally to the United Nations (UN) Sustainable Development Goals (SDGs). VPSDP directly contributes to SDGs 5 (Gender Equality), 7 (Affordable and Clean Energy), 8 (Economic Growth), 9 (Industry, Innovation and Infrastructure), and 13 (Climate Action).

From a GoV perspective, the **VPSDP closely aligns with the *Government of Vietnam's Vision 2035***, which focuses on inclusive, sustainable development, economic modernisation, private-sector development, and equity and social inclusion. Vietnam aims to become an upper-middle-income country by 2030 and a developed country by 2040. To achieve this, 6% annual GDP growth is required[13].

At a more **sector-focused level, the GoV Economic Strategy 2021-2030 aims to achieve the 6% annual growth target by becoming a high-income nation by 2045 with a focus on manufacturing, digital economy development and innovation**. The *National Green Growth Strategy for 2021-2030.* The strategy outlines key principles and a long-term objective of achieving Net Zero by 2050. The Foreign Direct Investment (FDI) Strategy 2021-2030 also prioritises a high-technology, digital economy underpinned by eco-friendly projects. The strategy is underpinned by a series of incentives, including lower corporate taxes and land rent exemptions for special economic zones. In addition, amendments to the Investment Law and the Land Law were initiated in 2024. New regulations[14] have also introduced "special investment procedures" to significantly shorten licensing timelines for projects in high-tech zones and strategic industrial clusters.

The GoV's commitment to gender equality is evidenced by its government's adoption of a dedicated Gender Equality Law in 2006 (currently under revision) and its second National Strategy on Gender Equality for the period 2021-2030. The Strategy aims to foster gender equality and women's entrepreneurship during this period and builds on the progress made from the National Strategy on Gender Equality 2011-2020.

The VPSDP aligns closely with IFC's Country Private Sector Diagnostic (CPSD)[15], which has a strong focus on private sector development through strengthening the regulatory environment and enhancing access to finance, bridging skill gaps and shortages, and improving core infrastructure services that support growth. Prepared jointly using IFC and World Bank staff's complementary knowledge and expertise in private sector development, the CPSDP provides a common basis for policy makers, the private sector, and the World Bank Group (WBG) to engage.

Needs of Clients and Partners

IFC, through VPSDP, has prioritised clients' needs through consultations and engagements over the program's life to date. IFC has built significant "social capital" with stakeholders across the portfolio of work. An important finding is that IFC-promoted work is often staged and builds on prior experiences and IFC's core competencies. Engagements with key stakeholders revealed that the advice and technical support provided by IFC through the program have been well received and have addressed specific, targeted needs. While stakeholders have changed and evolved, IFC's support has evolved to meet priority needs and demands.

[13] VPSD Investment Design Summary
[14] https://www.vietnam-briefing.com/news/vietnams-special-investment-procedure-implementation-and-implications-for-foreign-investors.html/
[15] https://www.ifc.org/content/dam/ifc/doc/mgrt/cpsd-vietnam-v2.pdf

Partnership Design

Current partnership arrangements are highly relevant to both DFAT and IFC. Given its focus on the private sector, DFAT leveraged IFC's strong presence and experience in Viet Nam. IFC has established itself as a "trusted adviser" through many years of engagement and support for Clients. The partnership has enabled IFC and DFAT to leverage experience, knowledge and access. DFAT's role was primarily diplomatic, ensuring alignment with other broader development, political, and economic priorities (including DFAT's broader bilateral arrangements) while enabling IFC to focus on specific technical and advisory support. The mutually beneficial arrangements were well grounded in strong formal and informal commitments and were overseen by a well-structured government mechanism, the Program Steering Committee (PSC).

Partnership arrangements remain "fit for purpose" and relevant. IFC has also responded well to DFAT requests, input and feedback. However, there is room for improvement. There is scope for IFC to better engage with DFAT and to bring them in as equal partners to address current, new, and emerging priorities and needs. Too often, it is assumed that DFAT is aware of key actions and decisions. Informal briefings and updates promote engagement and ensure clear, effective communication. To address the communication and engagement issue, there is scope for more informal briefings and discussions (on specific topics) that could then evolve into a more formal monthly meeting process. These suggested briefings and engagements also enable and underpin effective risk management. This is discussed further in the section on effectiveness.

Based on the findings and evidence above, the evaluation assigns a "highly satisfactory" rating to relevance.

Coherence

Coherence assesses how well an intervention fits within the broader context of other policies, actions, and initiatives in the same or cross-sectoral contexts.[16]

KEQ 2: To what extent did the VPSDP and its interventions complement (and collaborate with) other private sector development work being undertaken in Viet Nam?

The VPSDP is a tightly focused, structured program that aligns with and supports DFAT's broader mandate to support Viet Nam. As the relevance section indicates, the program is well-positioned to support the broad policy and strategic objectives and approaches of both the GoV and the GoA.

The program's focus on "firm-*level*[17]" support provides strategic advantages for both IFC and DFAT. Given DFAT's extensive portfolio of support, both bilateral and through multilateral partnerships, IFC's focus on firm-level support is essential. The focus at this level underpins IFC's strategic and technical advantage and provides opportunities and linkages with other interventions. Examples include the Green Finance work, work with NBFIs, and work through EMERGE.

The VPSDP program also complements the WBG's broader work in Viet Nam. This is most evident in the WBG's shift to a "One World Bank" approach, in which the WBG management group represents different organisations within the WBG (including the IFC). This approach helps streamline management engagement and provides a unified approach to engagement with both the GoV and DFAT. In addition, it enhances the capacity to address development challenges by more effectively utilising the instruments of

[16] Evaluation Criteria - OECD

[17] Firm level means at the organisational and institutional level rather than traditional government to government type approaches. Firm level also refers to the intended private sector focus of the program.

both the World Bank and the IFC. This is most evident in the work on the broader "enabling environment," where the World Bank has more direct engagement in supporting policy and regulatory reform. This is discussed further in the effectiveness section.

The VPSDP has also committed to raising visibility and awareness, thereby fostering greater coherence and opportunities for collaboration. IFC's work to date demonstrates a strong focus and alignment with private sector and firm-level priorities. However, there is a small risk that projects may become fragmented, operating in isolation without a long-term "line of sight" to achieve agreed-upon development outcomes. The "pillar structure" underpinning the program is well-structured and prioritised, minimising the potential risk. A key focus is to present a broader narrative on the selection, implementation, and management of project activities, and to build an evidence base demonstrating the interconnectedness and alignment of projects within and across pillars.

There is also scope for VPSDP to strengthen linkages with DFAT's other bilateral investments. For example, there are scalable opportunities to transfer knowledge and advice, and to link interventions with DFAT-funded Investing in Women,Aus4Adaptation, and Aus4Growth. This approach would help strengthen DFAT's overall narrative and resource allocation and support IFC in focusing on its comparative advantages while maintaining close linkages with DFAT.

Brief Discussion on VPSDP MEL Arrangements

The VPSDP Monitoring Evaluation and Learning (MEL) Framework was finalised in January 2024. Investments such as the VPSDP often struggle with "traditional approaches" to MEL, including simplified log frames and results frameworks with defined targets and indicators. Such modalities usually assume that results and progress are linear in nature and design. However, given the VPSDP design's flexible and responsive mechanisms, alternative measures and methodologies are often required. It is pleasing to note the collaboration between DFAT and IFC in developing the framework and its usefulness in guiding reporting, discussions and planning.

The MEL framework includes the program logic, which is provided in Annex 2 for reference. Clear outcome statements were also presented across the four pillars. These are summarised in Table 3 below.

Table 3: VPSDP Pillars and Associated Outcomes

VPSDP Pillars	Objectives[18]
Enabling environment for the private sector	• Improving the business enabling environment, legal and regulatory, through activities such as technical assistance for reforms that respond to private sector needs and create a more attractive framework for inclusive private investment. • Improved predictability, accountability, and transparency of Government-to-Business (G2B) services that respond to private sector needs.
Accelerating inclusive and climate smart private sector investment in key growth sectors	• Pipeline of potentially bankable and climate smart private investments across key growth sectors including infrastructure, housing, logistics, energy, and agribusiness, to advance climate change mitigation and adaptation and to support a gender-equal and inclusive private sector-led development.
Creating a green, sustainable, and inclusive financial sector	• New financial products and services developed including those that aim to increase access to financial services for women in women-owned enterprises. • Adoption of climate risk assessment by financial institutions in Viet Nam.
Enhancing standards and gender inclusion	• Increased understanding and uptake of gender inclusive practices by firms. • Use of best practice corporate governance (CG) and industry standards by companies.

[18] Objectives here are referring to the outcomes as per the Theory of Change in the VPSDP legal agreement.

All VPSDP projects were designed with causal logic, which assumes an attributable relationship between action and result[19]. In practice, this means that indicators can represent the anticipated change*s*. Achievements against those indicators provide a strong measure that the project is proceeding as planned and that outcomes are likely to be achieved.

IFC established a project-level monitoring and evaluation system using standard and project-specific indicators to complement the approach and align with DFAT's Design and MEL Standards. The system is supported by ongoing quality control and independent evaluation[20]. Significantly for DFAT's interests, IFC also ensures that gender analysis is undertaken for each project and, where relevant, that gender indicators are included at the output level.

For VPSDP as a whole, the projects, over time, contribute in various ways to the results sought. For this reason, aggregating project results alone is insufficient to understand the program's progress or support program improvement. VPSDP relies on reporting against output-level targets, which are then supported by a narrative to demonstrate "change". This is somewhat ineffective, as it misses an opportunity to focus on the desired "end state" of an intervention, demonstrate higher-level change, and inform a "performance story" that would benefit both IFC and DFAT.

Looking forward, VPSDP would benefit from implementing a series of short "case study or "performance story" type approaches to explore and apply a more evaluative focus on the progress and achievement of specific activities. It is important to note that VPSDP has already initiated two "case studies"[21]. *"Weaving Respect into Workplace Culture"* in Viet Nam's garment sector and the impact story *"Behind the Wheel: Towards a Sustainable Future,"* which highlight the development outcomes and private sector impact of the Green Finance and EMERGE Projects. This approach could build on recent examples and strengthen the broader narrative of achieving key results.

Six-monthly reporting has been completed to a very high standard. However, the focus on results frameworks and counting of numbers does not fully explain or attribute overall progress, nuance and challenges to the audience. The proposed enhancement would involve more bespoke evaluative efforts, and a more detailed analysis of progress against outcomes would help IFC and DFAT have a more complete picture of progress and contribution to program and DFAT-level outcomes and expected results. These do not need to be complex or expensive. One possible option is to apply a short "performance story" or "case study" to a specific work or thematic area.

VPSDP would also benefit from the inclusion of KEQs to support a more holistic, overall narrative of progress. A similar approach was applied to DFAT's Private Sector Development Program in Fiji, where the MEL system was revised and overall reporting restructured. It is strongly recommended that a similar style and structure be applied to VPSDP. This approach could be initiated relatively easily and agreed with DFAT. Some suggested KEQs for consideration could include:

- KEQ 1: To what extent have selected projects contributed towards strengthening the enabling environment for private sector development in Viet Nam?
- KEQ: To what extent has VPSDP continued and contributed to more investment in green economy initiatives within Viet Nam?

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[19] This internal project logic derives from detailed project design and planning linked to in-country analysis, identification of IFC and World Bank feasible contribution to identified problems, and agreed activity with the Government of Viet Nam.

[20] A network of Results Measurement Specialists and Economists specialised in their respective sectors are utilized by IFC to i) provide guidance on project design; ii) set indicators and methodology; iii) Ensure consistency and compliancy; iv) conduct data validation and verification; v) Collaborate with project team to conduct evaluations and studies; and vi) contribute to institutional learning and development strategy

[21] https://www.ifc.org/content/dam/ifc/doc/2025/weaving-respect-into-workplace-culture-viet-nam-s-garment-sector.pdf & https://www.ifc.org/en/stories/2025/behind-the-wheel-towards-a-sustainable-future

- KEQ 3: To what extent has VPSDP incorporated the needs of women and other marginalised groups into all project designs and investments?

These questions are general in nature but serve as examples to consider, particularly as the program progresses towards its final implementation phase. The KEQs would undertake a detailed narrative and analysis in the proposed completion reporting template.

In considering the findings and evidence above, the evaluation assigns a “highly satisfactory” rating to coherence.

Effectiveness

DFAT defines effectiveness as the extent to which an aid activity's expected results (i.e., outputs or outcomes) have been achieved[22]. At this stage of implementation, it is essential to assess performance and provide clear statements and conclusions on whether the program has made significant, tangible progress toward its EOPOs and whether these are likely to be achieved at the end of the current phase. This enables the identification of adaptations that may be required to improve performance over the remaining years. Three secondary evaluation areas informed the examination of effectiveness; their findings are presented below.

KEQ 3: To what extent has the VPDSP delivered its anticipated impacts, with particular reference to the evaluative questions in the M&E framework?

Adaptation and Response

As indicated in earlier sections, the VPSDP has demonstrated an evident ability to date to respond and adapt to the evolving needs of the private sector. The program has proven adaptable and responsive. This is evidenced by the type and scope of projects identified, funded and implemented. This is also evidenced by PSC minutes and actions that support relevant projects. Finally, the selection projects that firmly focused on private-sector outcomes, particularly as the GoV has emerged from COVID-19, demonstrated the program's ability to adapt and respond to immediate priorities and needs. Importantly, the program has continued to evolve beyond its initial COVID-19 responses to reflect a more mature, integrated set of projects.

IFC generally designs well-structured projects that are grounded in and linked to technical experience and expertise, and that align with relevant IFC and government strategies and policies. The only suggested improvement is to ensure that any future “pilot” activity/investment designs are structured and planned in a way for the long-term. In other words, activities and projects should be designed and implemented so that there is a clearly defined “end state” at which point both DFAT and IFC have a clear sense (and associated evidence) that the project has reached a desired outcome and achieved a defined level of success. If the project is intended only as a single “pilot”, this can be clearly stated. It is noted that the IFC specifies intended outcomes for each project; however, it is more of a conversation about the end state and the evidence required to demonstrate it. Some projects have become “core projects” (e.g., green finance and green buildings), and there is a need to ensure that pilot initiatives transition into longer-term interventions.

Project Selection, Coverage and Key Results

At the overall program level, there is a way to achieve the Partnership's impact-level targets. The key challenge with assessing initial results was that the theory of change and results framework focused on high-level impacts. Indicators and targets in the results framework tended to focus on numbers rather

[22] See: DFAT Investment Monitoring Report Guidance.

than the expected changes. This often requires an assessment and evidence of change (e.g., a ratio or %) to demonstrate it. The application of evaluative questions (mentioned in the previous section) would be beneficial, relevant, and appropriate, and it demonstrates good practice in supporting effective MEL.

Notably, IFC implemented a multifaceted approach to support a conducive private-sector environment while focusing on key sector investments. Aligning activities to each pillar was also valuable, enabling better assessment of progress towards Pillar outcomes and results. However, the portfolio's project weighting is primarily focused on Pillars 2 and 3. Work against Pillar 1 is less relevant to the funded projects, and guidance is also provided for Pillar 4. The following sections report on the progress of each pillar and the projects grouped under them. The analysis highlights respective benefits and outlines some key challenges and guidance for the future.

Pillar 1 – Enabling Environment for the Private Sector

This pillar involves economy-wide and sector-specific interventions to create a more conducive business environment that supports inclusive private-sector investment. Viet Nam is facing unprecedented challenges, many of which have been exacerbated by the pandemic – declining productivity growth, rapid technological and supply chain disruptions, climate change, and rising non-performing loans (NPLs) - all of which threaten the country's growth model and require swift action.

Under this pillar, the IFC has continued its strategic engagement, focusing on improving the investment climate to enable competitive, sustainable, and inclusive private sector development in Vietnam.

The project has not been highly visible and could be viewed as an "add-on" when compared with other projects funded under other Pillars. The project aligns with broader GoV priorities to shift towards high-income country status by 2045 and achieve carbon-neutrality by 2050. However, policy and regulatory work in Viet Nam requires significant investment, and it is unlikely that external donors or programs will achieve significant traction. The strategic intent of the Pillar is acknowledged, but influencing FDI laws and regulations carries significant reputational risk and will require a substantial investment of time and resources. The situation is compounded by the consolidation of GoV ministries in recent years as the government seeks to accelerate reform and progress. The risk to VDSDP is that the project is not being visible and maintaining pace with the level of reforms being implemented by the GoV. Even if traction is realised, progress is unlikely to be accelerated further. The work would be better suited to longer-term, forward-facing work financed under the WBG's broader portfolio rather than a project under VPSDP.

A key result of the work to date has been the **development of a green procurement framework focused on the manufacturing and building materials sectors**. This has potential linkages to the Green Finance and Green Buildings work under Pillars 2 and 3, but the structure, design and reporting of results do not indicate close linkages or alignments.

The work on the recycling industry is innovative and is an interesting pilot. However, as indicated, it needs to transition from a pilot to a potential long-term intervention. The development of guidelines and regulations is an important output, but it needs further "downstream clarity" on how they will be implemented and how they will influence future work. If this activity is to continue, it could be considered under future Pillar 2 and 3 work. Table 4 summarises key results across the Pillar 1 portfolio.

Table 4: Summary of Pillar 1 Results

Viet Nam Investment Policy Reform - OUTPUTS	Cumulative Results until Dec 2025	Cumulative Target	Achieved
Number of entities receiving advisory services	3	**3**	Yes
Number of new laws/regulations/amendments/codes/ government policies drafted, or contributed to the drafting	2	**2**	Yes
Number of procedures/firm-level policies/practices/ standards recommended for improvement or elimination	7	7	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	7	5	Yes
Number of workshops, training events, seminars, conferences, etc.	7	8	87%
Number of participants in workshops, training events, seminars, conferences, etc.	437	400	Yes
Number of women participants in workshops, training events, seminars, conferences, etc.	147	160	92%

Viet Nam Investment Policy Reform - OUTCOMES	Cumulative Results until Dec 2025	Cumulative Target	Achieved
Number of entities that implemented recommended changes	2	**2**	Yes
Number of recommended laws/regulations/amendments/ codes enacted or government policies adopted	2	**2**	Yes
Number of recommended procedures/firm-level policies/practices/standards that were improved or eliminated	4	4	Yes

Viet Nam Investment Policy Reform - IMPACT	Cumulative Results until Dec 2025	Cumulative Target	Achieved
Number of bids with a product(s) evaluated and qualified as green	0	10	0%
Value of financing facilitated (US$)	0	12,000,000	0%

Pillar 2 – Accelerating Inclusive and Climate Smart Private Investment in Key Growth Sectors

Viet Nam's private sector has begun to play a dynamic role in transitioning to low-carbon, inclusive development. The incorporation of sustainability and inclusion must be a major determinant of the country's growth trajectory. There has been a gradual shift by the private sector from passive to a more active participation in addressing climate change adaptation goals and greater inclusion. According to the IFC's *"Climate Investment Opportunities in Emerging Markets"* study, Viet Nam has a US$753 billion climate investment opportunity between 2016 and 2030 to reduce GHG emissions and mitigate climate change impacts. To realise this, the private sector could become the major driver of job creation and trade opportunities in sectors such as sustainable agriculture and clean energy development.

Interventions under this pillar are expected to create new opportunities for climate-smart and inclusive private investment, including direct investment by IFC, in sectors that will enhance Viet Nam's long-term productivity and growth potential. Applying both climate and inclusion lenses is the cornerstone to deliver green, resilient, and inclusive development outcomes through economic recovery. The main interventions supported are green buildings, the building resilience index, and food safety and food loss.

The Green Buildings project leverages IFC's experience across South and South-East Asia, with a focus on the EDGE application. EDGE is an application that certifies green buildings and seeks to promote the broader use of energy- and water-saving infrastructure and green materials by mainstreaming design, construction, retrofitting, and financing for relevant buildings. VPSDP has successfully raised awareness among private and public investors and developers and has highlighted potential financing options. Most importantly, the VPSDP has supported the development of a cadre of market-ready green building professionals through partnership arrangements with professional organisations, including the Viet Nam Engineering Consultant Association (VECAS), the Institute for Building Science and Technology (IBST), and Vietnamese universities.

To date, the EDGE program has certified projects covering 857,851 sqm of floor space, of which 81% (694,592 sqm) were residential, introducing 6,106 green housing units in provinces such as Binh Duong, Nghe An, Dong Nai, and Thai Nguyen. Beyond housing, the project has supported a diverse portfolio, including offices (78,033 sqm, 4 projects), hospitality (29,971 sqm, 1 project), retail (29,845 sqm, 4 projects), and factories (25,411 sqm, 2 projects). Importantly, 291,847 sqm achieved Final EDGE Certification, including nine retrofit projects such as WTC Tower and Courtyard by Marriott Da Nang, underscoring verified delivery of sustainability standards.

The important finding is that VPSDP has combined a solid mix of awareness-raising with direct support for financial institutions to increase the green-building offering. IFC has worked closely with SeABank and OCB, resulting in the first two Market Accelerator for Green Construction (MAGC) blended-finance transactions in Viet Nam. This work included delivering green-building training, supplying a pipeline of EDGE-certified projects, and sharing pitch materials and case studies to strengthen client readiness. The team also partnered with IFC's Financial Institutions Group (FIG) to explore a potential green building investment with HD Bank. All of this is underpinned by a growing network of professional staff and institutions to progress work in the future.

There is close alignment between the green building and the Building Resilience Index (BRI) work. The BRI project operates through a web-based assessment tool that helps identify, manage, and disclose risks across hazards, and works to mainstream the design, construction, retrofit, finance, and insurance of resilient buildings. Work has progressed under this activity, and it closely aligns with the EDGE project.

The food safety and food loss projects demonstrate the broad level of engagement and coverage the IFC can maintain using a smaller envelope of funding. Food safety and minimising waste are key priorities for the GoV as it seeks to take control of the broader supply chains in its export markets. The project seeks to advance industry best practices and enhance food safety while minimising food losses across Viet Nam's food supply chains, from production to distribution. The results to date are impressive and lay a solid foundation for continued work across a range of sectors, but most importantly, as work shifts towards a more agribusiness-centric focus. Table 5 below summarises key achievements of work under Pillar 2.

Table 5: Summary of Pillar 2 Results

Viet Nam Green Buildings - OUTPUTS	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: Support the development of Green Building stock Number of participants in workshops, training events, seminars, conferences, etc.	1,790	1,290	Yes
Number of female participants in workshops, training events, seminars, conferences, etc	644	387	Yes
Number of participants reporting satisfied or very satisfied with workshops, training, seminars, conference, etc.	662	621	Yes
Component 2: Support upstream Green Building investment - Number of IFC green building investment transactions supported	3	3	Yes
Component 3: Create market-ready Green Building professionals - Number of educational entities (e.g. universities, professional organizations) receiving advisory services	4	7	57%
Number of university staff or professional trainers trained to deliver new or improved green building training	44	42	Yes

Viet Nam Green Buildings - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: Support the development of Green Building stock Number of participants reporting improved knowledge/awareness/practices	697	462	Yes
Floor space that received post-design EDGE Preliminary Certification (m2)	5,094,986	3,928,126	Yes
Floor space that received Final (post-construction) EDGE Certification (m2)	2,366,738*	1,571,249*	Yes
Component 2: Support upstream Green Building investment Value of IFC green building investments supported (USD)	250,000,000	60,000,000	Yes
Component 3: Create market-ready Green Building professionals Number of educational entities (e.g. universities, professional organizations) that offer new or improved green building training	11	7	Yes
Number of students and professionals trained by project-trained people	821	420	Yes
Number of female students and professionals trained by project-trained people	302	126	Yes
Number of participants reporting improved knowledge/awareness/practices	577	154	Yes

Viet Nam Green Buildings - IMPACT	**Cumulative Results till Dec 2025**	**Overall Target**	**Achieved**
Energy use expected to be avoided (MWh per year) from Preliminary (post-design) EDGE certified buildings	97,500	102,166	95%
Water use expected to be avoided from Preliminary (post-design) EDGE certified buildings	3,544,120	2,020,425	Yes
Estimated construction cost of Preliminary (post-design) EDGE certified buildings (US$)	5,094,985,670	3,928,122,533	Yes
Cost expected to be avoided (US$ per year) from Preliminary (post-design) EDGE certified buildings	8,420,700	7,236,567	Yes
GHG emissions expected to be avoided (tons CO2e per year) from Preliminary (post-design) EDGE certified buildings	87,113	92,971	94%

Viet Nam Building Resilience Index - OUTPUT	**Cumulative Results till Dec 2025**	**Overall Target**	**Achieved**
Component 1: Number of products developed under the BRI platform (hazard maps, technical guideline, training modules)	5	3	Yes
Number of reports (assessments, surveys, manuals etc.) completed	2	2	Yes
Component 2: Support upstream Green Building investment Number of entities in Viet Nam with over 50% female employees that use BRI App	7	9	78%
Number of entities receiving advisory services	12	15	80%
Number of female participants in workshops, training events, seminars, conferences, etc.	293	133	Yes
Number of participants in workshops, training events, seminars, conferences, etc.	726	335	Yes

Viet Nam Building Resilience Index - OUTCOME	**Cumulative Results till Dec 2025**	**Overall Target**	**Achieved**
Component 1: Number of products launched	3	2	Yes
Component 2: Number of entities in Viet Nam with over 50% female employees making decisions informed by BRI App	5	5	Yes
Number of participants reporting improved knowledge/awareness/practices	274	150	Yes
Floor space verified with increased resilience (m2)	609,306	400,000	Yes

Viet Nam Building Resilience Index - IMPACT	Cumulative Results till Dec 2025	Overall Target	Achieved
Expected Total reduction of PML (probable maximum loss) by resilient buildings	79,400,000	90,000,000	88%

Viet Nam Food Safety and Food Loss - OUTPUT	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: Sector Capacity Building Number of participants in workshops, training events, seminars, conferences, etc.	1,219	1,000	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	2	2	Yes
Number of trainers trained	224	140	Yes
Number of women participants in workshops, training events, seminars, conferences, etc.	604	400	Yes
Number of women trainers trained	131	64	Yes
Number of workshops, training events, seminars, conferences, etc.	13	14	93%
Number of participants providing feedback on satisfaction	197	120	Yes
Component 2: Firm-Level and Supply Chain Food Loss Advisory Number of entities receiving in-depth advisory services	36	30	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	60	20	Yes
Number of trainers trained	812	400	Yes
Component 3: Firm-Level and Supply Chain Food Safety Advisory Number of trainers trained	2,027	500	Yes
Number of entities receiving in-depth advisory services	61	30	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, evaluations, etc.) completed	110	100	Yes

Viet Nam Food Safety and Food Loss - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: Sector Capacity Building Number of individuals trained by project-trained people and/or institutions	4,651	4,000	Yes
Number of women trained by project-trained people and/or institutions	2,379	1,600	Yes
Number of users or participants reporting improved awareness, knowledge or skills	144	105	Yes
Component 2: Food Loss Advisory Number of entities that implemented recommended changes	27	15	Yes
Number of farmers reached (direct and indirect)	1060	1,000	Yes

Viet Nam Food Safety and Food Loss - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Number of farms that adopted improved practices.	41	500	8%
Number of female farmers reached (direct and indirect)	407	500	81%

Viet Nam Food Safety and Food Loss - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Number of individuals trained by project-trained people and/or institutions	1,573	800	Yes
Number of women trained by project-trained people and/or institutions	560	400	Yes
Average percentage of food loss reduction at farm level	0	15	0%
Average percentage of food loss reduction at firm level	0	15	0%
Component 3: Firm-Level and Supply Chain Food Safety Advisory Number of female farmers reached (direct and indirect)	429	500	86%
Number of farms that adopted improved practices.	516	500	Yes
Number of entities that demonstrated reduced food safety risks	31	20	Yes
Number of firms certified	18	15	Yes
Number of women trained by project-trained people and/or institutions	591	400	Yes
Number of individuals trained by project-trained people and/or institutions	1,619	800	Yes
Number of farmers reached (direct and indirect)	1,136	1,000	Yes

Viet Nam Food Safety and Food Loss - IMPACT	Cumulative Results till Dec 2025	Overall Target	Achieved
Value of financing facilitated (US$)	67,682,784	30,000,000	Yes
GHG emissions expected to be reduced (metric tons/year)	19,336	*no target*	N.A.
GHG emissions expected to be reduced (%)	0	15	0%
Hectares of sustainably managed land	2,753	1,000	Yes
Sales revenue (farmer) (US$)	0	600,000	0%
Sales revenue (US$)	0	39,400,000	0%
Cost (actual) avoided (US$)	3,322,415	1,000,000	Yes

Pillar 3 - Creating a Green, Sustainable, and Inclusive Financial Sector

Under this pillar, IFC seeks to accelerate Viet Nam's green transformation of its financial sector. IFC will work with financial institutions to build and expand their climate finance product offerings and the share of green finance projects in their portfolios. IFC support financial institutions in designing and introducing climate finance products for specific sectors. Activities under this pillar are aimed at building the capacity of selected financial institutions to finance clean, renewable energy and to improve the availability/accessibility of finance for corporates undertaking a green transition. Building the capacity of financial institutions will help scale up climate finance markets, support climate change adaptation and resilience, and accelerate the shift to more sustainable, lower-carbon economies.

Viet Nam has one of the highest growth rates in GHG emissions worldwide and the second-highest carbon intensity in the region. While the country has numerous national strategies that include green finance, these are not yet fully implemented or well-resourced and require stronger coordination among ministries, between central and local governments, and greater private-sector mobilisation.

The VPSDP acknowledges that due to the small size of the capital market, green finance in Viet Nam has been heavily reliant on bank credit. There is growing demand for private capital, and IFC has developed a comprehensive package of support in working with a range of financial institutions. The most successful intervention to date has been the relationship with VPBank. The text box below summarises the achievements to date.

Text Box 1: IFC and VPBank

The engagement with VPBank comprises three key modules: (i) development of the Sustainable Finance Framework (SFF), (ii) mainstreaming of green business development, and (iii) development of a Paris Alignment Framework.

IFC supported VPBank conducting sector prioritization through a series of exercises from green portfolio review complemented by insights gathered during foundational training sessions and ideation workshops as well as on-going discussions with the bank core management team

Thematic training on Paris Alignment assessment was delivered in March 2025 by senior IFC global specialists to VPBank's senior management and risk team.

As of June 2025, VPBank's outstanding green portfolio reached US$1.114 billion representing an increase of US$251 million and representing approximately 4% of VPBank's total portfolio. Strengthened institutional capacity has also enabled VPBank to mobilize international funding of approximately US$500 million from various investors–, including Australia New Zealand Bank[23], to expand its green lending portfolio. In addition, a Sustainability Bond **transaction** with IFC, valued at US$300 million, was finalized in September 2025.

"Through our collaboration with IFC and pioneering banks like VPBank, we are helping unlock the capital needed to drive sustainable growth, create green jobs, and build climate resilience across the country."

--H.E. Gillian Bird, Australian Ambassador to Viet Nam."

IFC Impact Story: **Behind the Wheel Towards a Sustainable Future**

Hanoi's first metro line passes over traffic in the city.

Photo: Nguyen Viet Hung.

A key result is that, through VPSDP, the IFC has developed a scalable, workable model that can influence and support other commercial banks in increasing their green finance portfolios. There is evidence of growing demand from Banks (i.e., SEA Bank, OCB, and Maritime Bank) to continue reviewing internal

[23] VPBank together with SMBC, BII, EFA, FINDEV CANADA and JICA, jointly announce landmark USD 350 million partnership to advance sustainable development in Vietnam

operations, ensure compliance, and support understandings to raise additional finance, as well as o potentially issue their own structured instruments to secure finance. This has significant benefits for DFAT, as it enables it to continue earning higher financial returns from small initial investments. Having IFC as an investor in some ventures increases the likelihood of sustainability. Improvements could be made by strengthening the narrative of green finance and demonstrating the linkages between these products and better social outcomes and results.

Additional work through Non-Bank Financial Institutions (NBFIs) is a critical area that can address this issue, as the project's support focuses on Small to Medium Enterprises (SMEs). This activity has significant potential to promote economic and financial inclusion of women, minorities, and other marginalised segments. It is important to develop alternative financing channels, such as NBFIs, to provide tailored, consumer-driven financing products and services. Enhancing the capacity of NBFIs to lend and to improve their product offerings and market strategies will have downstream benefits for women, advancing financial inclusion and economic inclusion for the underbanked and unbanked segments, including persons with disabilities. There are also important synergies with the Digital Financial Services project, as expanding digital platforms and payment solutions can further strengthen NBFIs' and financial institutions' ability to reach underserved customers and deliver more accessible and inclusive financial services.

The Joint Capital Markets (J-CAP) project and the Green and Blue Finance project are good examples of relatively small investments that have the potential for ongoing growth. The J-CAP project works primarily in the regulatory space, supporting Vietnam's equity market upgrade from frontier market to an emerging status and unlocking private capitals for economic growth. Still, it can underpin other Pillar 3 operations by strengthening the environment for green financing and other green transactions, particularly in equities. The Blue Finance project follows a similar model implemented under the green finance umbrella. At this stage, the project is to provide initial sector-wide capacity-building sessions.

Table 5 below summarises the results and achievements across the Pillar 3 portfolio.

Table 5: Summary of Results Pillar 3

Viet Nam Green Finance - OUTPUT	**Cumulative Results till Dec 2025**	**Overall Target**	**Achieved**
Number of entities receiving in-depth advisory services	4	2	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	32	4	Yes
Number of procedures/firm-level policies/practices/standards recommended for improvement or elimination	6	4	Yes
Number of new financial products designed	3	4	75%
Number of workshops, training events, seminars, conferences, etc.	32	3	Yes
Number of participants in workshops, training events, seminars, conferences, etc.	1,227	100	Yes
Number of women participants in workshops, training events, seminars, conferences, etc.	493	35	Yes

Viet Nam Green Finance - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Number of reports accepted by client	1	4	25%
Number of recommended procedures/firm-level policies/ practices/standards that were improved or eliminated	3	3	Yes
Number of new financial products launched	5	2	Yes

Viet Nam Green Finance - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Number of participants in workshops, training events, seminars, conferences, etc. reporting supported knowledge exchange and communication on green finance targets	776	80	Yes
Percentage of participants in training/capacity-building activities reporting improved knowledge or practices †	91.3	70	Yes
Value of green loans outstanding (US$) †	3,147,888,422	300,000,000	Yes

Viet Nam Green Finance - IMPACT	Cumulative Results till Dec 2025	Overall Target	Achieved
Value of financing facilitated (US$)	1,012,000,000	200,000,000	Yes
Number of entities improved climate financing	3	4	75%

† non-cumulative indicator

Viet Nam Blue Finance - OUTPUT	Cumulative Results till Dec 2025	Overall Target	Achieved
Number of workshops, training events, seminars, conferences, etc.	3	2	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	3[24]	3	Yes
Number of FIs identified for in-depth engagement	0	1	0%

Joint Capital Markets Program - OUTPUT	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: EFI-FCI Component Number of entities receiving advisory services	11	3	Yes
Number of procedures/firm-level policies/practices/ standards recommended for improvement or elimination	16	3	Yes
Number of concept notes for WBG investments approved	3	1	Yes

[24] The indicator covers Cambodia, Lao PDR, and Viet Nam. DFAT funding supported the preparation of the report for Viet Nam.

Joint Capital Markets Program - OUTPUT	Cumulative Results till Dec 2025	Overall Target	Achieved
Share of women participants in seminars & workshops (%) †	42.1	40	Yes
Component 2: Creating Markets Number of new laws/regulations/amendments/codes/ government policies drafted, or contributed to the drafting	14	4	Yes
Number of workshops, training events, seminars, conferences, etc.	22	6	Yes
Number of participants in workshops, training events, seminars, conferences, etc.	919	200	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	11	6	Yes

Joint Capital Markets Program - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: EFI-FCI Component Number of WBG investments approved	5	1	Yes
Number of recommended procedures/firm-level policies/ practices/standards that were improved or eliminated	11	2	Yes
Value of WBG investments approved (in million US$)	295	50	Yes
Component 2: Creating Markets Number of recommended laws/regulations/amendments/ codes enacted or government policies adopted	12	4	Yes
Number of entities that implemented recommended changes	26	2	Yes

Joint Capital Markets Program - IMPACT	Cumulative Results till Dec 2025	Overall Target	Achieved
Total size of listed corporate bond market (US$, million)	7,327	2,916	Yes
Value of private investment facilitated into key sectors (US$)	195,000,000	75,000,000	Yes
Number of LCY debt financing vehicles	1	1	Yes

Pillar 4 – Enhancing Gender Equality, Inclusive Development and ESG standards

Activities under the VPSDP are aimed at accelerating progress on gender equality and women's empowerment as a key aspect of the economic recovery, whilst enhancing the sustainability of private investment in Vietnam by increasing adherence to international ESG standards and risk management.

Empowering Enterprises to Reach Gender Equality (EMERGE) is the largest project under Pillar 4 and one of the largest investments under the VPSDP. A key benefit of the project is that it supports female participation and engagement across sectors (banking and manufacturing) and operates at both the sector and firm/enterprise levels. The intention is to employ multi-faceted strategies and engagements that support and underpin capacity as well as identify current and future intervention gaps. The most important feature is that firms and enterprises recognise the importance of supporting and promoting women's needs and priorities. This is realised through strategies to provide safer workplaces and promote strategies that minimise violence and harassment.

Text Box 2: Addressing the Gender Gaps with Research

Research developed under the VPSDP shows that removing barriers to inclusion can close skills gaps, build a future-ready talent pipeline, and boost business performance.

With the support of DFAT, IFC published a first-of-its-kind gender-climate diagnostic "**The Green Edge: Women's Employment and Leadership for Sustainable Business in Viet Nam**" in June 2025. The report found that companies need to take deliberate, inclusive action to embrace an untapped talent pool: women. The report identifies sector-specific actions to help businesses address skills gaps, strengthen teams, and drive sustainable growth in the sectors driving Viet Nam's climate ambitions.

"When women work, economies win. Unlocking jobs for women fuels shared prosperity, strengthens resilience, and drives inclusive growth—especially for sectors that are relevant to Viet Nam's green transition. By investing in women's participation in climate-critical sectors, we can accelerate progress toward net-zero while ensuring that the benefits of growth are shared by all."

-- H.E. Gillian Bird, Australia's Ambassador to Viet Nam

Furthermore, a two-year case study on creating respectful workplaces spanned 15 factories in Viet Nam and reached over 10,000 workers. The initiative resulted in factories reporting significant reductions in workplace bullying and harassment, improved employee wellbeing, and stronger retention.

The case study, "**The Threads That Bind: Weaving Respect into Workplace Culture and Impact in Viet Nam's Garment Sector**" highlighted how respectful workplace policies — supported by practical grievance mechanisms and survivor-centered approaches — can enhance productivity, reduce absenteeism, and align with international standards. For businesses in global supply chains, these improvements offer a pathway to more ethical and sustainable performance.

Complementing the approach is data collection work to address additional market solutions and gender gaps. This is most evident through the assessment of childcare. A similar study is also being conducted on disability to address the lack of relevant and current data and statistics.

Earlier activities under the gender-smart climate diagnostics initiative adopted highly visible and innovative approaches, such as establishing the Climate Leaders Network to increase the visibility of Vietnamese women in climate-related careers and organising a career fair to promote opportunities for women in climate jobs. IFC had been working with other implementing partners to ensure the continued governance of the Climate Leaders Network (CLN) after the IFC project closure. However, ensuring the network's long-term sustainability has proven challenging due to evolving partner priorities and broader shifts in the development landscape.

Table 6: Summary of Results Pillar 4

Viet Nam EMERGE - OUTPUT	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: Market-level interventions to promote gender diverse workforce and leadership in the manufacturing sector Number of women participants in workshops, training events, seminars, conferences, etc.	954	300	Yes
Number of participants in workshops, training events, seminars, conferences, etc.	1,217	500	Yes
Number of workshops, training events, seminars, conferences, etc.	34	21	Yes
Number of reports (assessments, surveys, manuals, Phase I/strategic option reports, research, analytical, evaluations, etc.) completed	1	3	33%
Component 2: Market-level Interventions to Promote Respectful Workplaces Number of entities receiving advisory services	15	15	Yes
Number of participants in workshops, training events, seminars, conferences, etc.	194	100	Yes
Number of workshops, training events, seminars, conferences, etc.	12	8	Yes
Component 3: Customized Gender Advisory with Individual Clients to Close Gender Gaps Number of entities that implemented recommended changes	4	2	Yes
Number of recommended procedures/firm-level policies/practices/standards that were improved or eliminated	5	4	Yes

Viet Nam EMERGE - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 1: Market-level interventions to promote gender diverse workforce and leadership in the manufacturing sector Number of users or participants reporting improved awareness, knowledge or skills	317	200	Yes
Number of women reported improved leadership skills	101	200	50%
Component 2: Market-level Interventions to Promote Respectful Workplaces Number of entities that implemented recommended changes	15	10	Yes
Number of users or participants reporting improved awareness, knowledge or skills	58	80	73%

Viet Nam EMERGE - OUTCOME	Cumulative Results till Dec 2025	Overall Target	Achieved
Component 3: Customized Gender Advisory with Individual Clients to Close Gender Gaps Number of entities that implemented recommended changes	3	2	*150%*
Number of recommended procedures/firm-level policies/practices/standards that were improved or eliminated	1	2	50%

Viet Nam EMERGE - IMPACT	Cumulative Results till Dec 2025	Overall Target	Achieved
Number of entities reporting improved performance (e.g., improvements in productivity, accountability, operations, loan terms, valuations)	10	2	500%
Number of people who directly benefit from an entity's improved labour policies	22,110	16,000	138%

KEQ 4: How effectively has the Partnership responded to and adapted to the evolving needs of private-sector stakeholders and the enabling environment for private investment in Viet Nam?

As indicated in earlier sections, the program has demonstrated an evident ability to respond and adapt to the evolving needs of the private sector. The program has proven adaptable and responsive. This is evidenced by the type and scope of projects identified, funded and implemented. This is also evidenced by PSC minutes and actions that support relevant projects. Finally, the selection of projects that are firmly focused on private-sector outcomes, particularly as the GoV has emerged from COVID-19, demonstrate the program's ability to adapt and respond to immediate priorities and needs. This is supported by the ongoing evolution of the type, nature, and scope of projects being funded and implemented.

The only suggested improvement is to ensure future activity/investment designs are well thought out and planned. In other words, activities and projects should be designed and implemented so that there is a clearly defined "end state" at which both DFAT and IFC have a clear understanding (and supporting evidence) that the project has reached the desired outcome and achieved a defined level of success. This could be presented and discussed as part of the proposed consultations, management gatherings, and meetings (refer to future guidance section below). It is noted that IFC specifies intended outcomes for each project; however, it is more of a discussion of the end state and the evidence required to demonstrate it.

KEQ 5: To what extent have gender equality and social inclusion issues been addressed in VPSDP?

IFC's gender and inclusion team supports the private sector in driving a more inclusive allocation of capital, creating more inclusive employment and leadership, and supporting inclusive supply chains. IFC's gender and inclusion lens is systemically integrated into operations through the following mechanisms. Advisory and investment opportunities are assessed across sectors to identify potential inclusive interventions to increase development impact. Additionally, standalone gender and inclusion advisory projects provide targeted interventions, such as peer-learning platforms, to address GoV inclusion gaps. These projects also address a lack of localised data or tools to build the business case for gender equality and disability inclusion in the private sector.

More importantly, the Partnership seeks to provide avenues and opportunities for women to return to the workforce and address the barriers they face. The EMERGE project is a good example that addresses workplace barriers to gender equality, such as GBV and childcare.

The program has also sought to adopt disability-inclusive approaches. The most appropriate example is the disability diagnostic, which should provide a solid foundation for future engagement. In addition, IFC is piloting practical initiatives to advance disability inclusion, including the *Equal Access & Climate Resilience* workshop held under the Green Building and BRI projects, which promoted inclusive design principles and explored ways to enhance accessibility and climate resilience in the built environment. IFC also integrated gender and disability considerations into project activities through a gap assessment conducted for a client under the Food Safety and Food Loss Project, with tailored recommendations currently being developed based on the findings. While gender and disability requirements are comprehensive and robust, within DFAT, it is important to acknowledge that implementing partners also need time to adjust systems and processes. In addition, the broader context within Viet Nam has also been relatively slow to adapt and change. A simple yet targeted approach to continue building and raising awareness is appropriate for both the context and the level of expertise available. The disability diagnostic, together with the additional examples cited, demonstrates promising early steps in IFC's efforts to integrate disability inclusion into its activities. With the guidance of DFAT's Disability Advisor, these initiatives provide useful insights into how IFC can continue incorporating disability considerations into project design and implementation.

IFC and DFAT should build on these engagements, lessons learned, and findings from the disability scoping study and explore how disability inclusion can be more strategically integrated into a potential next phase of the Partnership. This may be another opportunity to partner and leverage knowledge and resources across a range of different investments under DFAT's portfolio.

Challenges and Barriers

The program continues to operate in a dynamic and fluid context. Challenges have been minimised given the solid partnership arrangement and the support targeting based on previous experience and technical expertise. However, it is crucial to note that consultations and interviews identified several potential barriers and changes that may impede, and to a certain degree undermine, the gains made to date. These include:

- The GoV continues to maintain momentum in institutional and regulatory reforms to achieve the proposed economic growth. Economic uncertainty, including inflation, economic growth, and the potential impact of US tariffs, is a key impediment to necessary reforms and to economic growth opportunities in key sectors important to Viet Nam (e.g., manufacturing).
- The current investment must support the energy transition to meet the ambitious 2050 targets. The current private sector requires significant investment.
- There is an ongoing need for more skilled, technically oriented professionals to fill critical gaps in the formal employment sector. Ongoing support is required as more technically advanced jobs have replaced traditional labour-intensive industries, particularly in agriculture and manufacturing.

Many of the barriers and challenges are external to Viet Nam; however, incremental changes and reforms must continue, particularly in areas where the Program (and DFAT and IFC) can play a role in supporting and guiding the GoV to maintain its current course of reforms and remain responsive to the government's needs while also maintaining high visibility and engagement, where financial and reputational risks are minimised.

Considering the findings and evidence above, the evaluation assigns a "satisfactory" rating to effectiveness.

Efficiency

Efficiency concerns how well resources are used and whether their use is likely to result in timely, cost-effective achievement of results[25].

KEQ 6: To what extent has VPSDP maintained appropriate use of financial, human, and technical resources in both implementation and management?

The program is efficient, underpinned by solid systems and processes. This is critical given the considerable size and scope of most projects funded through the portfolio. Importantly, projects are delivered through existing systems, predominantly using locally engaged and regional staff and consultants. This is a key advantage of partnering with IFC, as a full suite of options is available to support project conceptualisation, implementation, and closeout. IFC has capacity at both the upstream and downstream levels of the portfolio. One potential area for improvement is for DFAT to access technical advice and support to challenge and engage on technical aspects of the proposed briefings. This would also support overall efficiency and progress.

Tables 7 and 8 below summarise overall expenditure and project-level expenditure. The program technically has 15 months remaining and an overall burn rate of 65%. The lowest project by expenditure was the *Vietnam Food Safety and Food Loss* project (24%). Given the relatively large budget for this project, it has contributed to a lower overall budget rate than would be expected at this stage of implementation. The low burn rate was due to the project also receiving a financial contribution from the Republic of Korea, which was exhausted before DFAT funds were utilised. Consultations with the project team expect funds to be fully expended by June 2027 as implementation ramps up over the coming six months.

Program expenditure declined in the last reporting period because some projects had reached completion and others were only recently approved. A few projects have received additional financing from DFAT. Consultations with IFC indicate that expenditures will increase over the remaining months of implementation to approximately US$1.2 million per six-month reporting period. The MTR is confident that the full amount will be utilised before June 2027.

Table 7: Summary of Overall Expenditure

Headlines	Program Budget (USD)	Inception to Date Spend (USD)	Remaining budget (USD)
Pillar 1: Enabling Environment	$700.000	$632.457	$67.543
Pillar 2: Key Growth Sectors	2.600.000	$1.218.274	$1.381.726
Pillar 3: Financial sector	$2.820.000	$2.604.446	$215.554
Pillar 4: Gender	$2.266.770	$1.460.692	$806.078
Program Management Costs	$611.729	$56.481	$555.248
Unallocated	$659.819	n/a	n/a
Admin fee 5%	$508.333	n/a	n/a
TOTAL	**$10.166.650**		**$3.026.149**

[25] Understanding the six criteria: Definitions, elements for analysis and key challenges | Applying Evaluation Criteria Thoughtfully | OECD library (oecd-ilibrary.org)

Table 8: Summary of Expenses by Projects

Component No.	Names	Pillar	Allocation	Spent as of Dec 2025	Utilisation
Pillar 1	**Enabling Environment**	**P1**	**700**	**632.457**	**90%**
606973	Vietnam Investment Policy Reform	P1	700	632.457	**90%**
Pillar 2	**Key Growth Sectors**	**P2**	**2.600.000**	**1.218.274**	**47%**
608006	Building Resilience Index	P2	900	575.353	**64%**
607194	Vietnam Green Building	P2	650	392	**60%**
606644	Vietnam Food Safety and Food Loss	P2	1.050.000	250.92	**24%**
Pillar 3	**Financial Institutions**	**P3**	**3.100.000**	**2.600.559**	**84%**
607201	Vietnam Embedded Finance	P3	350	350	**100%**
607212	Vietnam Green Finance Umbrella	P3	480	480	**100%**
608319	Green Finance IP	P3	780	780	**100%**
607969	Vietnam NBFI Upstream	P3	230	194.824	**85%**
603771	Joint Capital Markets Program (JCAP)	P3	360	249.76	**69%**
609013	Blue Finance Viet Nam	P3	245	184.445	**75%**
608235	Vietnam DFS	P3	275	275	**100%**
609940	Mekong DFS2	P3	380	86.529	**23%**
Pillar 4	**Gender**		**1.855.062**	**1.460.692**	**65%**
606929/607825/608253	Vietnam EMERGE	P4	1.033.621	961.117	**93%**
608172	Vietnam GSCD	P4	371.951	371.951	**100%**
609099	VN Disability	P4	449.49	127.623	**28%**
N/A	**Program Management Costs**	**n/a**	**419.597**	**60.368**	**14%**
N/A	**Total**	**n/a**	**8.674.659**	**5.972.350**	**65%**

VPSDP has demonstrated sound Value for Money (VfM) across the entire portfolio. A key feature of the IFC partnership is the ability to draw on a locally based, technically competent group of professionals who have established relationships with key clients. Locally based professionals are also supported by regional technical experts, which minimises the need for expensive fly-in/fly-out arrangements. IFC has capacity at both the upstream and downstream levels of the portfolio. Project budgets are also reasonable given the complexity and overall scope of work. In effect, the program demonstrates VfM by utilising localised approaches and personnel, thereby minimising costs and administrative overheads.

In considering the findings and evidence above, the evaluation assigns a "highly satisfactory" rating to efficiency.

Sustainability

According to the OECD-DAC, sustainability is defined as the extent to which the net benefits of the intervention continue or are likely to continue. Given that the VPSDP will continue until June 2027, the following analysis is based upon evidence from secondary data sources, interviews, and professional judgements.

KEQ 7: What are the overall highlights and lessons learned for the VPSDP in terms of design of private sector development and investment programming in Viet Nam?

Overall, projects and investments funded under the Partnership are highly likely to be sustainable, given that they were primarily designed and implemented in a staged, considered manner and align with the previous and current GoV's priorities and needs. There are clear examples of work under the program that have "converted" into IFC investments and private financing. This is solid evidence of the value of IFC's efforts being sustained beyond the lives of the individual upstream and advisory projects. The only outstanding sustainability question concerns project work under Pillar 1. While the work here is targeted, it requires significant time and investment and is subject to factors and context outside the program's control or influence. However, several key lessons have been learned and derived here that should provide a sound foundation for future decision-making.

Projects funded under VPSDP, in some instances, have been designed as "pilot in nature", which allows for opportunities to test and trial. This helps prioritise the right projects to address emerging needs and priorities. Many of the pilots, for example, the Blue Finance project, have significant upside if the conditions remain conducive for ongoing financing. The important point is that financial commitments remain low and realistic, meaning projects can be dropped or redesigned to reflect changing circumstances. It is important to maintain communication and dialogue with DFAT to advise on progress and reinforce the benefits for both clients and DFAT's broader development agenda.

As previously indicated, a key feature of the program has been the staged approach to implementing and managing core projects. Projects such as these have been designed and prioritised through close consultation internally within IFC and discussed with DFAT. As indicated in previous sections, consultations and engagement with DFAT. This finding is not a criticism; it provides an opportunity to establish clear selection criteria and consultation processes to identify priority projects. The program's ability to evolve and prioritise projects that build on successive iterations is crucial. This is evident through the Green Finance and Green Buildings work under Pillars 2 and 3.

Future iterations of the program should prioritise and design longer-term projects from the outset with clear stages that can be programmed, monitored, and assessed over time. This removes potential challenges and risks of short-term projects and investments and provides a higher degree of continuity for IFC and DFAT in the future. Most projects supported under VPSDP have been long-term in nature (building on initial pilot approaches), with implementation periods of two years or more (e.g., Green Finance, EMERGE, and Green Buildings). IFC conducts a pre-implementation period, during which the project is scoped with the client to define clear development indicators, which are then embedded in legal agreements (Letters of Engagement or Agreement) with the client. Additionally, working with private-sector clients and government means there will always need to be a certain level of flexibility to respond to demand. Otherwise, opportunities will be missed. It also supports better monitoring and evaluation arrangements, enabling changes to be assessed over time rather than simply counting key results and deliverables.

Future investments and support for "enabling environment" activities should be carefully considered and discussed. Any work related to the enabling environment should support work covered across Pillars 2 and 3. Proposed work should be clearly defined and have a defined time period for implementation and support.

The program's highlight is the ability to target key support areas with a relatively modest budget. The "trialling" of some approaches warrants further investigation and the ability to scale up and leverage options. This is most evident in areas such as food processing and safety, green finance, and EMERGE. Interviews indicate that continued prioritisation of these work areas, coupled with a shift to high-value-add projects in agribusiness, will provide opportunities for DFAT to leverage its existing partnership arrangements and expertise to provide ongoing support.

In considering the findings and evidence above, the evaluation assigns a "satisfactory" rating to sustainability.

Future Guidance

Although not formally included in the ToR, the MTR proposed providing guidance on what VPSDP should prioritise for the remaining 15 months of implementation. Additional guidance is also provided for DFAT's consideration in decisions on future engagement beyond the current implementation period. Please note that this advice is general in nature and based on the evidence and findings presented in the report. It does not commit DFAT to any further extensions or future partnership arrangements with IFC.

KEQ 8: Based on the evidence identified and analysed, what are the potential areas for further improvement going forward?

The current portfolio of projects has been prioritised and approved for implementation. With a possible two additional projects expected to come on stream between now and June 2027, the overall budget envelope will be fully allocated. The focus for the remaining implementation period will therefore be on maintaining implementation momentum and ensuring clear reporting, assessment, and completion of planned expenditures.

To strengthen implementation and management, IFC is suggested to initiate a series of briefings on key elements of the VPSDP portfolio for DFAT. Feedback and consultations indicate some misunderstanding of certain projects, particularly those that are quite technical and complex, and of how they directly link to DFAT's development portfolio. One example is the Green Finance and Blue Finance portfolio. There is scope for the IFC to provide short briefings and presentations on the technical aspects of Green and Blue Finance, and to offer opportunities to reflect and discuss how these projects contribute to broader social outcomes. Other examples could focus on Food Safety and Green Buildings work, and how these projects contribute to improved social outcomes. The final element is to discuss how gender and disability are also being considered and, where appropriate, reflected in these work streams.

It is proposed that the IFC and DFAT initiate a monthly discussion or briefing on a pre-arranged and agreed topic(s). It is important that DFAT indicate its priorities and information needs to help IFC develop tailored, structured, and specific presentations and briefings. For example, the review found a series of presentations on green finance that could be tailored and adapted to inform DFAT and provide a basis for deeper understanding, future planning and prioritisation. Figures 1 and 2 are screenshots from the presentation.

Figure 1: Green Credit and Bonds in Viet Nam

Figure 2: Financing Needs for Climate Action in Viet Nam

Longer-term engagement

Further iterations of the program should continue to support and implement similar projects across the pillars. This approach provides a greater guarantee of potential sustainability. A key risk is that future programming could result in the funding and support of a series of ad hoc activities and projects that, while potentially beneficial, become difficult to aggregate and assess. Maintaining a focused program that builds on prior learnings and successes and upholds commitments that benefit both the GoV and GoA is essential to the future project structure. VPDSP should maintain three pillars (Accelerating Inclusive and Climate Smart Investment, Green Finance, and GEDSI). These three pillars continue to build on gains and operate in sectors where IFC and DFAT can maintain influence and extract benefit. The current Enabling Environment work (under Pillar 1) should be incorporated into the future program and focus on the "enabling environment of sectors" in which the program operates.

While the three-pillar approach is proposed, it is important to streamline the work sectors. Based on the evidence and findings of this mid-term review, it is suggested that the main focus of any future investment centre on work in the agri-business sector. This would mean that proposed activities under the three priority work areas should be geared toward supporting investments. By focusing efforts on the agribusiness sector, IFC and DFAT can allocate resources to a core geographic area and to priorities that benefit both stakeholders. Importantly, it also helps transition the work from immediate financing to long-term direct economic benefits for businesses and individuals working in the sectors. This will help DFAT provide greater visibility of its work, while continuing to focus on private-sector initiatives and investment.

Key Conclusions and Recommendations

Overall, the program has significantly supported DFAT and the GoV in promoting private sector development and investment promotion in Viet Nam. The program has demonstrated solid progress in progressing work across its four support pillars.

The program benefits from targeted support focusing on key areas where IFC and DFAT have expertise and knowledge. This is the foundation of a solid partnership. Focusing on what has worked and what needs to be done in those areas provides significant opportunities for further leverage and negotiations. The program should primarily be viewed as an initial pilot, and the issue of receptive expertise and experience should be addressed.

Looking ahead, DFAT has scope to strengthen and deepen partnership arrangements. IFC is a trusted and effective partner, and current arrangements could be maintained. Consultations with key stakeholders revealed opportunities to engage with other DFAT-supported programs in Viet Nam (e.g. Aus4Innovation and Investing in Women).

The program has benefited from focusing on a small, targeted number of projects. The staged approach to implementation has been critical, and the building of investments in priority areas enables a more detailed "performance story" to be developed. The suite of activities supported through the Program continues to be relevant and underpins a positive, proactive relationship with the GoV and key counterparts.

The program can accelerate its implementation to complete the current proposed expenditure. It can also look to strengthen its evaluation efforts to inform the deeper story of work and overall progress. Looking ahead, we should structure the program to build on investments and support emerging priorities, including the agri-business sector.

Key recommendations for the program and partnership to consider include:

Recommendation 1: The IFC should continue to seek solutions to expedite activities with a "low burn" rate and accelerate implementation while maintaining quality and standards. There is scope in the lead-up to the completion report to develop a coherent narrative of overall support and engagement.

Recommendation 2: IFC should explore options to expand further opportunities to build on gender and disability work and investments to date. Work in the sector should be incremental and staged, and recognise the need for care consultation and engagement with both public- and private-sector institutions and enterprises. GEDSI approaches should be fit for purpose and prioritise awareness raising and understanding, leading to more long-term institutional support and associated reforms.

Recommendation 3: The current partnership arrangement has demonstrated an effective support mechanism. Existing governance mechanisms remain relevant and fit-for-purpose and should be maintained and supported. There is scope to build on the partnership model and promote more information engagement on areas of mutual interest. This could be facilitated through an initial series of presentations and operational deep dives, which could transition into more formal, program-wide, monthly meetings on additional topics of interest to deepen understanding and shared experiences. There is also scope to deepen engagements across programs, for example, with the Investing in Women program.

Recommendation 4: IFC should continue to explore a structured and specific approach to MEL. While the current program has implemented an approach to MEL that is "fit-for-purpose", there is scope to continue building on and leveraging this, particularly with the future use of an MEL resource to prepare more outcome-focused knowledge products, such as case studies and performance stories. This should be prioritised for implementation over the remaining months but considered more fully if a new program is considered.

Recommendation 5: There is sufficient evidence of progress towards outcomes and key results from the current VPSDP to justify and support ongoing investment in private-sector initiatives. Future investments should continue to support, build, and leverage existing IFC private-sector investments initiated under the current program, and remain aligned with the priorities and focus areas for the GoV and GoA.

Annex 1: Terms of Reference

INTERNATIONAL FINANCE CORPORATION (IFC)

TERMS OF REFERENCE

MID-TERM REVIEW OF

IFC VIET NAM PRIVATE SECTOR DEVELOPMENT PARTNERSHIP

A. Introduction

1. IFC is the largest global development institution that is focused exclusively on the private sector. As part of the World Bank Group, IFC works to improve the lives of people in developing countries by investing in private sector growth. To achieve this goal, IFC finances private sector investments, mobilizes capital in international financial markets, facilitates trade, helps clients improve social and environmental sustainability, and provides advisory services to businesses and governments. IFC is strongly focused on measuring development results to understand the impact of its projects on clients and countries.
2. Viet Nam Private Sector Development partnership (VPSDP), a collaboration between the Government of Australia (represented by the Department of Foreign Affairs and Trade – or DFAT) and IFC, commenced in April 2022 and runs until end-June 2027, with total funding of AUD 15 million from DFAT.
3. The VPSDP Program is a means by which DFAT provides support for IFC activities in Viet Nam. Developed from the shared but distinct policy interests of both parties. The overall goal of this multi-year advisory program is to enhance the competitiveness and diversification of the private sector and foster inclusive and sustainable COVID-recovery and economic growth.

   This is to be achieved through four mutually reinforcing pillars:

Pillar 1 - Enabling Environment for the private sector: Interventions geared towards improving the business enabling environment – legal and regulatory – through "bottom up" reform efforts that create a more attractive framework for inclusive private investment in the wake of COVID-19 across key sectors.

Intended outcomes:

- Improved legal and regulatory environment through the implementation of reforms that respond to private sector needs.
- Improved predictability, accountability and transparency of Government-to-Business (G2B) services that respond to private sector needs.

Pillar 2 - Accelerating inclusive and climate-smart private investment in key growth sectors: Creating concrete opportunities for facilitating private sector investment, including direct investment by IFC, in key sectors including tourism, infrastructure, agriculture, and the financial sector, whilst advancing climate change mitigation and adaptation and to support a gender-equal recovery from COVID-19.

Intended outcomes:

- Pipeline of potentially bankable and climate smart private investments across key growth sectors including tourism, infrastructure, Agro business and finance.

Pillar 3 - Creating a green, sustainable, and inclusive financial sector: Enhancing financial inclusion and accelerate the green transformation in the financial sector. Interventions support financial institutions in building and expanding their financial product offerings by developing and launching inclusive and green finance products.

Intended outcomes:

- Strengthened capacity of financial institutions to integrate ESG principles and climate risk considerations into lending practices.
- New green finance products and services developed, facilitating climate-smart investments.
- Growth of sustainable investment initiatives, including green bonds and sustainability-linked loans.
- Enhanced digital financial infrastructure to improve financial accessibility and inclusion.
- Increased access to finance for underserved populations, including MSMEs and women entrepreneurs, through tailored financial solutions.

Pillar 4 - Enhancing Standards & Gender Inclusion: Adoption of best practices in Environmental and Social Governance (ESG) and accelerating women's economic empowerment by addressing key barriers to women's participation including childcare and GBV.

Intended outcomes:

- More women employed in key sectors such as banking and manufacturing.
- Expanded career opportunities and leadership pipelines for women in Viet Nam's private sector.
- Private sector firms implementing policies that foster respectful, diverse, and resilient workplaces, benefiting both employees and businesses.

4. The VPSDP implementation is undertaken through a range of IFC projects which aim to make a significant contribution towards the four Program pillars. The projects are identified and designed through in-country analysis and consultation with DFAT and other relevant stakeholders – public and private –, and each have their own internal logic and intended results. They derive from the strategy which guides the work of the World Bank Group in Viet Nam. The projects are at various stages of pre, post and current implementation.
5. VPSDP has not therefore been designed as an overall project or program with a simple linear connection to specific results. It is a description of the work IFC undertakes (groups of projects), which both parties expect to make a significant contribution towards progress across the three pillars.
6. Developed during the first 12 months of the Partnership, the interventions are guided by a comprehensive Monitoring and Evaluation (M&E) Framework (refer Annex A). The M&E framework describes the Partnership theory of change, as well as the Partnership modality and methodology.
7. Since the partnership has reached to the midpoint of its implementation, an independent Mid-Term Review (MTR) will be commissioned to assess accomplishments against the program objectives, using the OECD-DAC criteria and provide recommendations for improvement. The Partnership is seeking to hire a consultant team/consulting firm to undertake the MTR.

B. Objective

The objective of the evaluation are:

- to independently assess the VPSDP's effectiveness and efficiency in achieving intended objective considering progress from April 2022 to June 2025 (timing of most recent progress report) and where possible until December 2025
- Based on the assessment of findings and analysis of the context, provide recommendations for improvement, strengthen the alignment with Australia's policies and objectives.

The primary users of the MTR are DFAT Viet Nam (including Executive DFAT staff working on regional private sector development policy and programs) and IFC. Its secondary users will be donor development partners and practitioners.

The evaluation will provide an evidence base to inform DFAT and IFC future directions for private sector development programs in Viet Nam, as well as potential lessons for other Mekong countries.

C. Scope of Work

During the assignment, the consultant team will undertake the following assessment:

This evaluation will be undertaken by applying evaluation criteria of the Organization for Economic Cooperation and Development's Development Assistance Committee (OECD-DAC), specifically Relevance, Coherence, Effectiveness, and Efficiency.

- Assess on how VPSDP is relevance to country specific objectives of IFC, Australia in Viet Nam context, the relevance of program logic;
- Assess the effectiveness of VPSDP activities in supporting achievement of the partnership objective through it achieving high level strategic objectives.
- Review and assess the effectiveness of the program logic and the M&E framework in monitoring and evaluate the partnership.
- To what extend the partnership activities help to strengthen the coherence with other initiatives (of IFC and Australia).
- To assess how the partnership is making use of available resources to achieve its objectives
- Assess to what extent gender equality and social inclusion (GEDSI) issues are addressed as stand-alone topics or as integral components of the partnership.

The final report – approx. 30 pages plus annexes – should assign a rating on each OECD-DAC evaluation dimension based on a four-point scale (highly satisfactory, satisfactory, partly unsatisfactory, unsatisfactory). The rating for performance-related dimensions (Relevance, Coherence, Effectiveness, Efficiency, GEDSI) will be assigned to the VPSPD program. While there are 'evaluative questions' in the M&E framework, they have been used as a monitoring mechanism and framed IFC's six monthly narrative progress reports of the VPSDP.

D. Key Evaluation Questions:

Referencing the M&E Framework, this evaluation needs to answer the following questions:

Relevance and efficiency

- To what extent was the VPSDP projects/activities relevant to Australia, IFC strategic objectives in Viet Nam.
- To what extent VPSDP resources able to respond/address the critical gaps of the private sector and client government agencies in Viet Nam?
    - Refer to the needs of clients which include government, firm and market level stakeholders.
    - Refer to the ability of Partnership design and partners (risk management and governance arrangements and resources etc.) to facilitate this evolution.

Effectiveness and impact

- To what extent has the VPDSP delivered its anticipated impacts, with particular reference to the evaluative questions in the M&E framework?

    - How effectively has the Partnership been able to respond and adapt to the evolving needs of private sector stakeholders and the enabling environment for private investment in Viet Nam?
    - Refer to the range of project types/interventions (firm level technical advice, government technical advice etc.) and describe overall progress to date, and any identified barriers including those related to delivery in complex/challenging environments.
    - to what extent gender equality and social inclusion issues have been addressed in VPSDP

Coherence

- To what extent did the VPSDP and its interventions complement (and collaborate with) other private sector development work being undertaken in Viet Nam?
    - Include reference to the value of the Partnership for DFAT's policy objectives included in the M&E Framework,

Sustainability

- What are the overall highlights and lessons learned for the VPSDP in terms of design of private sector development and investment programming in Viet Nam?
    - Include reference to impacts related to gender, disability and climate change
    - To what extend the impacts are likely to be sustained?

The questions will be finalized in consultation the selected Team Leader and documented in the Evaluation Plan.

E. Deliverables

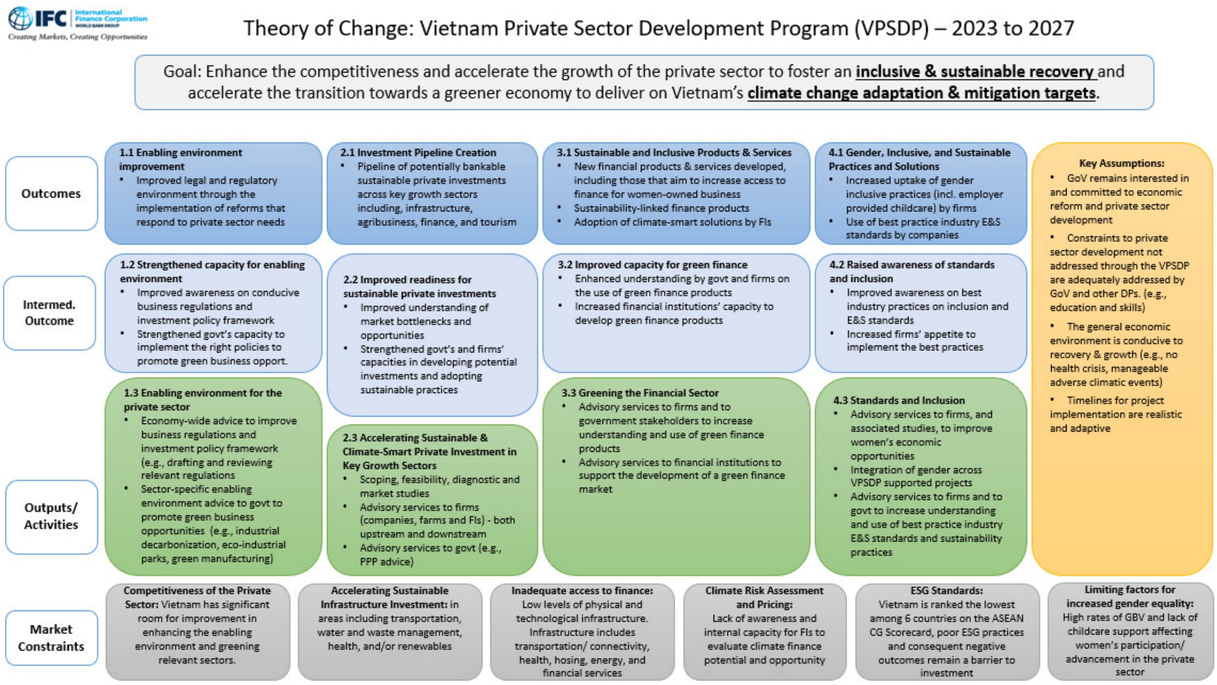
The evaluation will be conducted from January to March 2026. The consultant/consulting firm should expect to travel to Viet Nam to conduct stakeholder discussions and provide debriefs, as required.

- With reference to DFAT's Design and Monitoring, Evaluation and Learning Standard 9 (Independent Evaluation Plans), **an Evaluation Plan**, including the final evaluation questions, proposed evaluation methodology, data collection methods and tools, and list of interviews, should be developed within two weeks of the signing of the contract.
- **The mission** will be undertaken during February 2026. Field work will be mostly in Viet Nam.
    - The evaluation team will need to complete a **schedule for the field missions** at least 15 workdays prior to their commencement so that IFC can make necessary arrangements. The schedules must include for all external (non IFC staff) interviews, a summary including purpose, key questions/areas, data requested, expected duration, interviewees. This will be essential for IFC (and DFAT as relevant) to arrange external meetings with donors, clients, partners, customers, etc.
    - At the conclusion of the mission, there will be a debrief session with DFAT and IFC to discuss emerging findings and test assumptions.
- A **draft Evaluation Report and Executive Summary** should be shared with IFC by early March. The Evaluation Report will include an executive summary (two pager for partners), evaluation objectives, theory of change, methodology, findings/recommendations for each of the evaluation questions, and lessons learnt. Annexes should include the TOR, an evaluation matrix, and a list of interviews and sources of evidence.
- A **presentation of the final findings/recommendations** of the Review to be made to IFC and DFAT no later than February 2026 for comments.

- The **final Report** and the final Executive Summary (two pager for partners) should be submitted 10 days upon receipt of comments from IFC and DFAT on the draft report. The final report will be published on the DFAT website and is required to meet accessibility requirements (Web Content Accessibility Guidelines (WCAG) 2.0). The review team is required to work closely with DFAT to frame any sensitivities and meeting DFAT's requirements for documents to meet website accessibility guidelines.

All deliverables must meet the **OECD-DAC** Quality Standards for Development Evaluation, and DFAT DMEL Standards.

Annex 2: VPSDP Theory of Change



Theory of Change: Vietnam Private Sector Development Partnership (VPSDP) – 2023-2027

Goal: Enhance the competitiveness and accelerate the growth of the private sector to foster an inclusive and sustainable recovery and accelerate the transition towards a greener economy to deliver on Vietnam's climate change adaptation and mitigation targets.

Impacts

1. Increase Vietnam's Competitiveness
   - Private sector savings are realized through a reduction in the time and cost of doing business
   - Accelerate Vietnam's decarbonization efforts, including resource efficiency and circular economy
2. Increase in sustainable, climate-smart private investment and financing in Vietnam
   - Private investment mobilized
   - GHGs reduced
   - Efficiency improvements (resource efficiency, food loss, circularity)
3. Enhanced gender inclusion & sustainability standards
   - Improvement in economic opportunities among women (e.g., through access to finance, employment opportunities, etc.)
   - Increase in investments adopting international industry E&S standards and climate-smart practices

Outcomes

1. Enabling Environment Improvement
   - Improved legal and regulatory environment through the implementation of reforms that respond to private sector needs
2. Investment Pipeline Creation
   - Pipeline of potentially bankable and climate-smart private investments across key growth sectors including infrastructure, agribusiness, finance, and tourism
3. Sustainable and Inclusive Products and Services
   - New financial products & services developed, including those that aim to increase access to finance for women-owned business
   - Sustainability-linked finance products
   - Adoption of climate-smart solutions by companies

4. Gender Inclusive and Sustainable Practices and Solutions
    - Increased uptake of gender inclusive practices (incl. employer provided childcare) by firms
    - Use of best practice industry E&S standards by companies

Intermediate Outcomes

1. Strengthened Capacity for Enabling Environment
    - Improved awareness on conducive business regulations and investment policy framework
    - Strengthened govt's capacity to implement the right policies to promote green business opportunities
2. Improved Readiness for Private Investments
    - Improved understanding of market bottlenecks and opportunities
    - Strengthened government and firms' capacities in developing potential investments
3. Improved Capacity in the Financial Sector
    - Enhanced understanding by government and firms on the use of green finance products
    - Increased financial institutions' capacity to develop green finance products
4. Raised Awareness of Standards and Inclusion
    - Improved awareness on best industry practices on inclusion and E&S standards
    - Increased firms' appetite to implement the best practices

Outputs/Activities

1. Enabling Environment for the Private Sector
    - Economy-wide advice to improve business regulations and investment policy framework (e.g., drafting and reviewing relevant regulations
    - Sector-specific enabling environment advice to government to promote green business opportunities (e.g., industrial decarbonization, eco-industrial parks, green manufacturing)
2. Accelerating Sustainable and Climate-Smart Private Investment in Key Growth Sectors
    - Scoping, feasibility, diagnostic and market studies
    - Advisory services to firms (companies, farms and FIs) - both upstream and downstream
    - Advisory services to government (e.g., PPP advice)
3. Greening the Financial Sector
    - Advisory services to firms and to government stakeholders to increase understanding and use of green finance products
    - Advisory services to financial institutions to support the development of a green finance market
4. Standards and Inclusion
    - Advisory services to firms, and associated studies, to improve women's economic opportunities
    - Integration of gender across VPSDP supported projects
    - Advisory services to firms and to government to increase understanding and use of best practice industry E&S standards and climate-smart practices

Market Constraints

- Competitiveness of the Private Sector: Vietnam has significant room for improvement in enhancing the enabling environment and greening relevant sectors.
- Accelerating Sustainable Infrastructure Investment: In areas including transportation, water and waste management, health, and/or renewables
- Inadequate Access to Finance: Low levels of physical and technological infrastructure. Infrastructure includes transportation/ connectivity, health, housing, energy, and financial services
- Climate Risk Assessment and Pricing: Lack of awareness and internal capacity for FIs to evaluate climate finance potential and opportunity
- ESG Standards: Vietnam is ranked the lowest among 6 countries on the ASEAN CG Scorecard, poor ESG practices and consequent negative outcomes remain a barrier to investment

- Limiting Factors for Increased Gender Equality: High rates of GBV and lack of childcare support affecting women's participation/advancement in the private sector

Key Assumptions

- GoV remains interested in and committed to economic reform and private sector development
- Constraints to private sector development not addressed through the VPSDP are adequately addressed by GoV and other DPs. (e.g., education and skills)
- The general economic environment is conducive to recovery & growth (e.g., no health crisis, manageable adverse climatic events)
- Timelines for project implementation are realistic and adaptive

Annex 3: List of People Interviewed

As indicated below, a full list of stakeholders has been presented. Additional stakeholders will be considered as required. Interviews will occur both remotely and as part of the field mission to Vietnam in February 2026.

DFAT Staff

Name	Designation
Cathy McWilliam	VPSDP Pillar Lead
Madeleine Plocki	VPSDP Pillar Lead
Than Thien Huong	VPSDP – Gender Specialist
Arabella Bennett	VPSDP Pillar Lead
Doan Thi Thuy	VPSDP – Senior Economic Analyst
Nguyen Tu Uyen	Senior Program Manager
Pham Dieu Linh	Senior Program Manager – Disability Focal Point
Nguyen Quang Anh	Senior Trade and Development Program Manager

IFC Program Staff

Project	Name	Entity	Designation
Green Finance Umbrella	Gayathri Vijayaraghavan	IFC	Operations Officer
Green Finance Umbrella	Huong Mai Huynh	IFC	Operations Officer
Green Finance Umbrella/NBFI/Blue Finance	Vanessa Vizcarra	IFC	Senior Operations Officer
Investment Policy Reform	Lan Van Nguyen	IFC	Senior Operations Officer
Building Resilience Index (BRI)	Diep Ngoc Do	IFC	Operations Officer
Country Management Unit	Shehryar Ali Shah	IFC	Senior Country Officer
Food Safety Good Loss	Uy Duc Pham	IFC	Operations Officer
EMERGE + Gender-Smart Climate Diagnostic	Hang Vu	IFC	Operations Officer
EMERGE + Gender-Smart Climate Diagnostic	Sarah Twigg	IFC	Senior Operations Officer
Building Resilience Index (BRI)	Phong Hong Vu	IFC	ETC
Building Resilience Index (BRI)	Mai Thi Nguyen	IFC	STC
M&E	Giang Thi Binh Pham	IFC	Results Measurement Specialist
M&E	Van Anh Thi Truong	IFC	Results Measurement Specialist
Investment Policy Reform	Mr. Kien Trung Tran	World Bank	Senior Procurement Specialist
EMERGE + Gender-Smart Climate Diagnostic	Mr. Giang Tam Nguyen & Helle Bucchave	World Bank	Senior Social Development Specialists
Communications	Van-Anh Chu	IFC	Communications Officer

Clients

Project	Name	Entity	Designation
Green Finance Umbrella	Tran Vu Hien *(Mr. Hien)*	Asia Commercial Bank (ACB)	Head of Finance
Green Finance Umbrella	Linh Hoang Phuong *(Ms. Linh)*	Viet Nam Maritime Commercial Joint Stock Bank (MSB)	ESG and Investor Relationships Lead
NBFI	Huynh Minh Hien *(Mr. Hien)*	HD Saison	Manager
Blue Finance	Anh Nguyen Tuan *(Mr. Tuan Anh)*	SeABank	Deputy CEO
Green Finance Umbrella	Hoang Tran Minh *(Hoang)*	VP Bank	Green Finance, E&S Champion, Treasury and Financial Markets Division
Green Finance Umbrella	Giang, Vu Thu *(Giang)*	Orient Commercial	ESG Manager, Sustainability Division

Project	Name	Entity	Designation
		Joint Stock Bank (OCB)	
Viet Nam BRI	Minh Ha (anh Minh)	Kingspan Group	Manager (TBC)
Food Safety and Food Loss	Võ Hoàng Nga *(Chi Nga)*	TTC AgriS	E&S Director
Vietnam Green Building	Nhung T. Le, Dung C. Tran	Capital House Group	Manager of MarCom Dept
Vietnam Green Building	Linh T. Nguyen	Flamingo Group	Manager of MarCom Dept
Investment Policy Reform	Ms. Vu Thi Chau Quynh	Ministry of Finance	Department of Legislation
Investment Policy Reform	Ms. Bui Thi Thuy Dung	Ministry of Finance	Foreign Investment Agency
Investment Policy Reform	Mr. Tran Phuong	Ministry of Construction	Institute for Building Science and Technology (IBST)
Investment Policy Reform	Ms. Hoang Thi Dieu Linh	UNDP	UNDP

Annex 4: List of Documents Reviewed

No	Document Names
1	TF071889_Annex_17_DFAT_Vietnam_Execution_Version.docx (signed)
2	VPSDP MEF Guidelines - Final
3	DFAT-IFC VPSDP Project Summary Note - BRI Final Oct 22
4	DFAT-IFC VPSDP Project Summary Note - DfGE Final Oct 23
5	DFAT-IFC VPSDP Project Summary Note - Embedded Finance Final Oct 22
6	DFAT-IFC VPSDP Project Summary Note - EMERGE Final Oct 22
7	DFAT-IFC VPSDP Project Summary Note - Green Finance Final
8	DFAT-IFC VPSDP Project Summary Note - Investment Policy Final Oct 22
9	DFAT-IFC VPSDP Project Summary Note - DFS_v0.2-KM
10	DFAT-IFC VPSDP Project Summary Note - OCB_v0.2_KM
11	DFAT-IFC VPSDP Project Summary Note - Vietnam Gender-Smart Climate Diagnostic
12	DFAT-IFC VPSDP Summary Note_Vietnam Food Safety Food Loss (VN FSFL)
13	DFAT-IFC VPSDP Summary Note_Vietnam NBFI
14	DFAT-IFC VN Digital Financial Services Project - Discussion Note
15	DFAT-IFC VN NBFI Project - Discussion Note
16	DFAT-IFC VN NBFI Project Summary Note - 21072023_KM
17	DFAT-IFC VPSDP Project Summary Note - Digital Financial Services Project_v2
18	DFAT-IFC VPSDP Project Summary Note - Embedded Finance - TopUp
19	DFAT-IFC VPSDP Project Summary Note - Green Finance SHIFT
20	DFAT-IFC VPSDP Project Summary Note - Viet Nam Food Safety Food Loss
21	DFAT-IFC VPSDP Project Summary Note - Viet Nam Gender-Smart Climate Diagnostic
22	DFAT-IFC VPSDP Project Summary Note - Viet Nam NBFI
23	FY25_DFAT-IFC VPSDP Project Summary Note_Blue Finance
24	FY25_DFAT-IFC VPSDP Project Summary Note_BRI
25	FY25_DFAT-IFC VPSDP Project Summary Note_Green Buildings
26	FY25_DFAT-IFC VPSDP Project Summary Note_Investmnet Policy
27	FY25_DFAT-IFC VPSDP Project Summary Note_JCAP_revised
29	FY25_DFAT-IFC VPSDP_Discussion Note_Blue Finance
30	FY25_DFAT-IFC VPSDP_Discussion Note_Embedded Agrifinance
31	2025 08 25 - DFAT-IFC VPSDP Project Summary Note - Mekong DFS2 - vF_KM
32	Annex 1 - VPSDP VISIBILITY REPORT_December 2022_June 2023
33	Annex 1 - VPSDP VISIBILITY REPORT_January-October 2024
34	VPSDP January -June 2023 IPP_for managerial review
35	VPSDP Progress Report_Jan-Jun 2023
36	VPSDP Progress Report_Jan-Jun 2024
37	VPSDP Progress Report_Jan-Jun 2025
38	VPSDP Progress Report_Jul-Dec 2023
39	VPSDP Progress Report_Jul-Dec 2024
40	VPSDP Progress Report_July-Dec 2022
41	VPSDP VISIBILITY REPORT_July 2024- March 2025 (final)
42	VPSDP VISIBILITY REPORT_July-December 2023
43	2022_Vietnam PSDP_1 SC Meeting Minutes
44	2024_4th VPSDP SC Meeting Minutes Oct_
45	2024_Vietnam PSDP_SC Meeting Minutes_Final
46	2025_5th VPSDP SC Meeting Minutes
47	Viet Nam PSDP - 2 SC Meeting Minutes - Final
48	DFAT Vietnam Development Partnership Plan (DPP)
49	DFAT: Australia-Vietnam Enhanced Economic Engagement Strategy
50	DFAT: Australia's Southeast Asia Economic Strategy to 2040
50	VPSDP Operations Manual
51	VPSDP Partnering Commitment 2023

Annex 5: VPSDP Results Framework

End of Investment Outcome Indicators (EOIO)	Unit of measure	Baseline	End Target	Progress by FY23	Progress by FY24	Progress by FY25	Progress by FY26	Progress by FY27	Total achieved	In %
EOIO 1: Enabling Environment Improvement Policies and procedures (laws, regulations, codes, amendments, government policies) adopted, improved, or eliminated.	Number	0	3	1	2	1	4	n/a	8[26]	267%
EOIO 2: Investment Pipeline Creation Private investment mobilized (including by IFC)	USD (mn)	0	320	0	250	633[27]	506[28]	n/a	1,389	434%
% of private investment mobilized via this partnership that is climate-related	%	0	50%	0	100%	100%	90%	n/a	96%	192%
EOIO 3: Climate-Smart Products and Services New green products developed (real sector & FI)	Number	0	7	0	2	5	0	n/a	7	100%
Number of farms/entities that adopted improved practices.	Number	0	1,000	0	0	557	0	n/a	557	*56%*
EOIO 4: Gender-Equal, Inclusive, and Sustainable Practices and Solutions Number of women with improved economic opportunities	Number	0	16,000	0	0	3,465	18,645	n/a	22,110	138%
Number of entities that implemented recommended changes	Number	0	12	0	16	0	2	n/a	18	150%

Intermediate Outcome Indicators	Unit of measure	Baseline	End Target	FY23	FY24	FY25	FY26	FY27	Total achieved	*In %*
Intermediate Outcome 1 (Capacity Building – economy wide[29]) Entities receiving advisory services	Number	0	3	2	0	1	0	n/a	3	100%
Reports (assessments, surveys, manuals, Phase I/strategic option reports) completed	Number	0	4	2	3	0	2	n/a	7	175%
Workshops, training events, seminars, conferences	Number	0	8	3	1	0	3	n/a	7	*87%*
Participants in workshops, training events, seminars, conferences, etc.	Number	0	400	0	305	0	132	n/a	437	109%
Participants which are women	Number	0	160	0	85	0	62	n/a	147	*92%*

[26] Contributing Project(s): Investment Policy and Promotion and JCAP.
[27] Increased by US$57,682,784 to US$632,682,684. This investment was delivered under the Food Safety and Food Loss Project.
[28] Investment facilitated: US$446m – Green Finance; US$10m – Food Safety and Food Loss; Non-Climate: US$50m – NBFI.
[29] Aggregating results from projects under Pillar 1.

Intermediate Outcome Indicators	Unit of measure	Baseline	End Target	FY23	FY24	FY25	FY26	FY27	Total achieved	*In %*
Intermediate Outcome 2 **((Capacity Building – sector specific[30])** Entities receiving advisory services	Number	0	25	1	10	17	23	n/a	51	204%
Reports (assessments, surveys, manuals, Phase I/strategic option reports) completed	Number	0	20	0	33	46	37	n/a	116	580%
Workshops, training events, seminars, conferences	Number	0	25	3	10	22	13	n/a	48	192%
Participants in workshops, training events, seminars, conferences, etc.	Number	0	1,500	101	1,904	2,046	331	n/a	4,382	292%
Participants which are women	Number	0	600	41	628	871	138	n/a	1,678	280%
Participants reporting improved awareness, knowledge, or skills	Number	0	500	44	566	1,320	298	n/a	2,228	446%
Intermediate Outcome 3 **(Capacity Building Gender & Inclusion, and ESG[31])** Entities receiving advisory services	Number	0	17	0	19	0	0	n/a	19	112%
Reports (assessments, surveys, manuals, Phase I/strategic option reports) completed	Number	0	3	0	0	1	1	n/a	2	*66%*
Workshops, training events, seminars, conferences	Number	0	29	0	35	11	0	n/a	46	159%
Participants in workshops, training events, seminars, conferences, etc.	Number	0	600	0	1,186	225	0	n/a	1,411	235%
Participants which are women	Number	0	300	0	757	197	0	n/a	954	318%
Participants reporting improved awareness, knowledge, or skills	Number	0	250	0	375	0	0	n/a	375	150%

Other performance Indicators (OPI): Partnership Level Progress	Unit of measure	Baseline	End Target	FY23	FY24	FY25	FY26	FY27	Total achieved	*In %*
Indicator 1: Press releases, publications and other communication products including online which enhance Australia's visibility	Number	0	250	74	85	86	50	n/a	295	118%
Indicator 2: Numbers of collaboration with Australian institutions or agencies	Number	0	2	0	1	1	0	n/a	2	100%

[30] Aggregating results from projects under Pillar 2 & 3 (real sector and Financial Institutions).
[31] Aggregating results from projects under Pillar 4.

Other performance Indicators (OPI): Partnership Level Progress	Unit of measure	Baseline	End Target	FY23	FY24	FY25	FY26	FY27	Total achieved	*In %*
Indicator 3: Mid-Term Review of VPSDP rates program on track in terms of progress towards achieving objective	Yes/No	No	Yes	No	No	No	*to be completed in CY26*	n/a	n/a	n/a
Indicator 4: End-of-Program Evaluation of VPSDP	Yes/No	No	Yes	No	No	No	No	*To be completed in CY27*	n/a	n/a

Annex 6: Accessible Versions of Images

This annex provides text-based (accessible) versions of the images, diagrams and charts that appear in this report. It is included so that information presented visually is also available to readers who use screen readers or other assistive technology. Each entry below reproduces the information conveyed by the corresponding image through words. Decorative and functional images are listed at the end.

Program overview infographic — Viet Nam Private Sector Development Program (VPSDP)

Location: Image 1 (page 9). A summary graphic setting out the program goal and the four program pillars.

Program goal: To enhance the competitiveness and diversification of the private sector and to foster inclusive and sustainable COVID-19 recovery and economic growth.

The program is delivered through four mutually reinforcing pillars:

- **Pillar 01 — Enabling Environment for the Private Sector:** Improving the business enabling environment – legal and regulatory – through "bottom-up" reform efforts that create a more attractive framework for inclusive private investment in the wake of COVID-19 across key sectors.
- **Pillar 02 — Accelerating Inclusive & Climate-Smart Investment:** Creating concrete opportunities to facilitate private sector investment, including direct investment by IFC, in tourism, infrastructure, agriculture and finance – while advancing climate mitigation and adaptation and a gender-equal recovery.
- **Pillar 03 — A Green, Sustainable & Inclusive Financial Sector:** Enhancing financial inclusion and accelerating the green transformation of the financial sector by helping institutions build, expand and launch inclusive and green finance products.
- **Pillar 04 — Enhancing Standards & Gender Inclusion:** Adopting best practices in Environmental, Social & Governance (ESG) and accelerating women's economic empowerment by addressing key barriers, including childcare and Gender-Based Violence (GBV).

Footer details: Funded by DFAT (AUD 15 million); implemented by IFC; April 2022 – June 2027; four mutually reinforcing pillars.

Case study cover — "The Threads That Bind" (IFC case study, September 2025)

- **Document type:** IFC Case Study; dated September 2025. Carries the IFC (International Finance Corporation, World Bank Group) and Australian Aid logos.
- **Title:** "The Threads That Bind: Weaving Respect into Workplace Culture and Impact in Viet Nam's Garment Sector."
- **Introductory text:** "For Xuan Hoang — and thousands of garment factories across Viet Nam producing for global buyers — attracting and retaining workers is vital to sustaining productivity. Increasingly, factories are discovering that the hidden thread to a stronger workforce lies in creating respectful workplaces."
- **Pull-quote:** "… It's essential that we work in harmony, safeguard our employees, and provide mutual support to maintain steady production." — Ms. Huynh Thi Hien, HR Manager, Xuan Hoang Garment Factory.

Publication cover — "The Green Edge" (Viet Nam diagnostic, June 2025)

- **Document type:** IFC report — "A Viet Nam Diagnostic"; dated June 2025; marked "Report." Carries the Australian Aid and IFC (International Finance Corporation, World Bank Group) logos.
- **Title:** "The Green Edge: Women's Employment and Leadership for Sustainable Business in Viet Nam."
- **Cover photograph:** A farmer wearing a conical hat tending a green rice field.

Figure 1: Green Credit and Bonds in Viet Nam

Location: Future Guidance section (page 36).

- **Source:** As stated in the report body, Figures 1 and 2 are screenshots taken from an IFC green-finance presentation.
- **Summary**: Viet Nam's green credit is scaling up rapidly, driven by banks and policy support, despite challenges like the lack of standardized guidelines.
- **Market overview**: green credit outstanding balance expected to reach VND 750–850 trillion by end-2025 (~5% of total credit); annual average growth >21%; commercial banks hold ~88% of green credit (key

issuers BIDV VND 3,000 bn, Vietcombank VND 2,000 bn, IDI Seafood VND 1,000 bn, AquaOne Group VND 875.1 bn); cumulative green bond issuance >USD 1.5 bn over 2020–2025.

- **Challenges**: regulatory gaps/ambiguities; maturity mismatch (short-term capital vs. long-term project needs).
- The **two charts** described in words: green credit outstanding rising 2017→2024 to ~VND 679,000 bn (≈ USD 25.8 bn); green bond issuance rising 2022→2024 to VND 6,875 bn (≈ USD 261 mn).
- **Source**: State Bank of Viet Nam; FiinRatings (2025); S&I Ratings; PwC (2025).

Figure 2: Financing Needs for Climate Action in Viet Nam

Location: Future Guidance section (page 37).

- **Source:** As stated in the report body, Figures 1 and 2 are screenshots taken from an IFC green-finance presentation.
- **Headline:** World Bank estimates indicate that Viet Nam will require roughly ~USD 368 billion in cumulative climate funding by 2040 (≈6% of national GDP) for mitigation and adaptation.
- **By source of finance**: Public USD 130 bn (carbon tax / domestic borrowing); Private USD 184 bn (green credit by banks, green equities and bonds, de-risking tools); External USD 54 bn (external support).
- **By type:** Adaptation/resilience USD 254 bn; Mitigation/decarbonisation USD 114 bn; with the note that public resources are only ~2% of GDP/year, so private capital mobilisation is key.
- **Sectoral breakdown**: Energy & transport ~USD 12 bn by 2030 (Power Development Plan VIII); Agriculture, urban & water infrastructure USD 233 bn (2025–2050); Social & community resilience USD 35 bn by 2040.
- **Source**: World Bank CCDR, 2025; World Bank Group, 2025.

Theory of Change diagram — VPSDP, 2023 to 2027

Location: Annex 2 (VPSDP Theory of Change). The diagram is a matrix: the rows are a results chain — Outcome, Intermediate Outcome, Outputs/Activities and Market Constraints — and the columns are the four program pillars. A separate column lists the program's key assumptions. The text of each cell is reproduced below, organized by pillar.

Goal: Enhance the competitiveness and accelerate the growth of the private sector to foster an inclusive and sustainable recovery, and accelerate the transition towards a greener economy to deliver on Vietnam's climate change adaptation and mitigation targets.

Pillar 1 — Enabling environment for the private sector

- **Outcome (1.1 Enabling environment improvement):** Improved legal and regulatory environment through the implementation of reforms that respond to private sector needs.
- **Intermediate Outcome (1.2 Strengthened capacity for enabling environment):** Improved awareness on conducive business regulations and investment policy framework; strengthened government's capacity to implement the right policies to promote green business opportunities.
- **Outputs / Activities (1.3 Enabling environment for the private sector):** Economy-wide advice to improve business regulations and investment policy framework (e.g., drafting and reviewing relevant regulations); sector-specific enabling-environment advice to government to promote green business opportunities (e.g., industrial decarbonisation, eco-industrial parks, green manufacturing).
- **Market constraint (Competitiveness of the Private Sector):** Viet Nam has significant room for improvement in enhancing the enabling environment and greening relevant sectors.

Pillar 2 — Accelerating inclusive and climate-smart private sector investment in key growth sectors

- **Outcome (2.1 Investment Pipeline Creation):** Pipeline of potentially bankable sustainable private investments across key growth sectors including infrastructure, agribusiness, finance, and tourism.
- **Intermediate Outcome (2.2 Improved readiness for sustainable private investments):** Improved understanding of market bottlenecks and opportunities; strengthened government's and firms' capacities in developing potential investments and adopting sustainable practices.
- **Outputs / Activities (2.3 Accelerating Sustainable & Climate-Smart Private Investment in Key Growth Sectors):** Scoping, feasibility, diagnostic and market studies; advisory services to firms (companies, farms and financial institutions) – both upstream and downstream; advisory services to government (e.g., PPP advice).

- **Market constraints:** Accelerating sustainable infrastructure investment in areas including transportation, water and waste management, health, and/or renewables. Inadequate access to finance: low levels of physical and technological infrastructure (transportation/connectivity, health, housing, energy, and financial services).

Pillar 3 — Creating a green, sustainable, and inclusive financial sector

- **Outcome (3.1 Sustainable and Inclusive Products & Services):** New financial products and services developed, including those that aim to increase access to finance for women-owned business; sustainability-linked finance products; adoption of climate-smart solutions by financial institutions (FIs).
- **Intermediate Outcome (3.2 Improved capacity for green finance):** Enhanced understanding by government and firms on the use of green finance products; increased financial institutions' capacity to develop green finance products.
- **Outputs / Activities (3.3 Greening the Financial Sector):** Advisory services to firms and to government stakeholders to increase understanding and use of green finance products; advisory services to financial institutions to support the development of a green finance market.
- **Market constraint (Climate Risk Assessment and Pricing):** Lack of awareness and internal capacity for FIs to evaluate climate finance potential and opportunity.

Pillar 4 — Enhancing standards and gender inclusion

- **Outcome (4.1 Gender, Inclusive, and Sustainable Practices and Solutions):** Increased uptake of gender-inclusive practices (including employer-provided childcare) by firms; use of best-practice industry environmental and social (E&S) standards by companies.
- **Intermediate Outcome (4.2 Raised awareness of standards and inclusion):** Improved awareness on industry practices on inclusion and E&S standards; increased firms' appetite to implement the best practices.
- **Outputs / Activities (4.3 Standards and Inclusion):** Advisory services to firms, and associated studies, to improve women's economic opportunities; integration of gender across VPSDP-supported projects; advisory services to firms and to government to increase understanding and use of best-practice industry E&S standards and sustainability practices.
- **Market constraints:** ESG standards — Viet Nam is ranked the lowest among six countries on the ASEAN CG Scorecard; poor ESG practices and consequent negative outcomes remain a barrier to investment. Limiting factors for increased gender equality — high rates of GBV and lack of childcare support affecting women's participation and advancement in the private sector.

Key assumptions

- The Government of Viet Nam (GoV) remains interested in and committed to economic reform and private sector development.
- Constraints to private sector development not addressed through the VPSDP are adequately addressed by the GoV and other development partners (e.g., education and skills).
- The general economic environment is conducive to recovery and growth (e.g., no health crisis, manageable adverse climatic events).
- Timelines for project implementation are realistic and adaptive.

Decorative and functional images

The following images carry no substantive information of their own. They are listed for completeness, with the alternative text recommended for the report file.

- **"Achieved" status icon:** A green check-mark (tick) appears throughout the results tables (Tables 4–6) in the "Achieved" column to show that a target or indicator has been met. Recommended alternative text: "Achieved".
- **Cover and section background pattern:** A decorative geometric lattice of interlocking triangles and hexagons in pink, tan and purple. It conveys no information. Recommended: mark as decorative (no alternative text)
- **Hanoi cityscape photograph:** A photograph of an elevated urban metro line with city traffic and buildings in Hanoi, Viet Nam. Decorative. Recommended alternative text: "Elevated metro line and traffic in Hanoi, Viet Nam."