

## **INTERNATIONAL AGREEMENT TO SUPPORT VIET NAM'S AMBITIOUS CLIMATE AND ENERGY GOALS.**

Leaders from Viet Nam and the International Partners Group, including the European Union, the United Kingdom, France, Germany, the United States, Italy, Canada, Japan, Norway and Denmark have today (14 December) agreed a bold Just Energy Transition Partnership (JETP).

The Partnership will support Viet Nam to deliver on its ambitious Net Zero 2050 goal, accelerate the peaking of its greenhouse gas emissions and transition away from fossil fuels to clean energy.

The JETP will mobilise an initial \$15.5 billion of public and private finance over the next three to five years to support Viet Nam's green transition.

The Partnership will support Viet Nam in working towards a number of ambitious new targets:

- Bringing forward the projected peaking date for all greenhouse gas emissions in Viet Nam from 2035 to 2030.
- Reducing peak annual power sector emissions by up to 30 percent, from 240 megatons to 170 megatons, and bringing forward the peaking date by five years to 2030.
- Limiting Viet Nam's peak coal capacity to 30.2 gigawatts down from a current planning figure of 37 gigawatts.
- Accelerating the adoption of renewables so that renewable energy accounts for at least 47 percent of electricity generation by 2030, up from the current planned generation share of 36 per cent.

The successful delivery of these ambitious targets will result in around 500 megatons (0.5 billion tonnes) of emissions saved by 2035.[\[1\]](#)

Initial contributions to the Viet Nam JETP include \$7.75 billion in pledges from the IPG together with the Asian Development Bank and the International Finance Corporation. This is supported by a commitment to work to mobilise and facilitate a matching \$7.75 billion in private investment from an initial set of private financial institutions coordinated by the Glasgow Financial Alliance for Net Zero (GFANZ), including Bank of America, Citi, Deutsche Bank, HSBC, Macquarie Group, Mizuho Financial Group, MUFG, Prudential PLC, Shinhan Financial Group, SMBC Group, Standard Chartered.

Over the next 12 months, Viet Nam will work with the support of partner countries to develop and adopt the Viet Nam JETP Resource Mobilisation

Plan, which will enable the implementation of the JETP funding and strategy.

Viet Nam is the third country to launch a JETP, following the successful launch of the South Africa JETP at COP26 and the Indonesia JETP at this year's G20 Leaders' summit. As a rapidly growing economy, Viet Nam's JETP will demonstrate that economic growth can be decoupled from fossil fuel energy consumption.

The Viet Nam JETP builds on the UK-launched G7 Partnership for Global Infrastructure and Investment (PGII), which aims to narrow the infrastructure investment gap in developing countries. G7 leaders agreed in June 2022 to move forward in negotiations with several countries on JETPs, which are a core delivery mechanism of the PGII.

Ensuring the transition away from fossil fuels is 'just' lies at the centre of the JETP. A just transition will not only help Viet Nam meet climate goals but also secure a resilient and prosperous future for its people, reducing the impacts of pollution and supporting economic growth and new jobs. It is vital that the whole civil society is involved in the green transition at all stages and no one is left behind.

**UK Prime Minister Rishi Sunak said:**

*“The JETP model is a game changer in the fight against climate change – using international aid to unlock billions of dollars of private finance. Viet Nam is a dynamic, emerging economy at the heart of South East Asia. The investment we are making today means the country can cut its emissions while simultaneously creating new jobs and growth. Together we will deliver a cleaner, greener future for Viet Nam and our planet.”*

**President of the European Commission, Ursula von der Leyen said:**

*“I am delighted that we have sealed a new Just Energy Transition Partnership with Viet Nam during this important week for EU-ASEAN relations. With investments from international partners, Viet Nam can boost renewable energies and enhance its energy security and autonomy. We will help Viet Nam to start reducing its greenhouse gas emissions five years earlier than planned, and dramatically reduce its coal power use. This Partnership will help Viet Nam to build a 21st century power sector, energising its economic growth and bringing environmental and health benefits to its citizens.”*

**Canada's Prime Minister Justin Trudeau said:**

*“Just Energy Transition Partnerships are a model for how contributors can work together with partners like Viet Nam to take action towards cleaner sources of energy. Canada will continue to be a committed partner for the clean energy transition and coal phase-out in Viet Nam, which is in all our best interest for an inclusive, clean energy future in the Indo-Pacific region”.*

**French President Emmanuel Macron said:**

*“France and the European Union are pursuing their strong commitment to climate change mitigation by supporting the acceleration of a just energy transition in Vietnam. France's contribution, which is part of a long-standing bilateral cooperation, will support energy planning, capacity building and grid development, in parallel with the development of renewable energy. Our collective contribution must support Vietnam's commitment to a sustainable development trajectory, phasing out coal, in order to limit global warming to 1.5°C. This partnership must implement a just transition that involves and benefits civil society.”*

**German Chancellor Olaf Scholz said:**

*“The JETP with Viet Nam will support ambitious climate targets and a substantial increase of renewable energies by 2030 as a joint effort to keep 1.5 °C in reach. The Partnership is about working hand in hand with Viet Nam to make sure that the necessary transition will be just and inclusive. Germany will actively support Viet Nam in achieving the newly set goals.”*

**Japan's Prime Minister Kishida Fumio said:**

*“Japan has been supporting Viet Nam’s decarbonization through renewable energy-related projects and welcomes Viet Nam’s ambition to further accelerate just energy transition towards net zero by 2050. Japan is proud to be a member of the Just Energy Transition Partnership, which will promote support for low emission and climate resilient development in Viet Nam, in coordination with partner countries, and with further private sector engagement.”*

**Norway's Prime Minister Jonas Gahr Støre said:**

*“Norway is proud to be part of the Just Energy Transition Partnership and support Viet Nam's effort to speed up the energy transition. We believe this can mobilize much needed private capital to accelerate the ambitious transition from coal to renewable energy.”*

**President of the United States, Joe Biden said:**

*“Today, Viet Nam has demonstrated leadership in charting an ambitious clean energy transition that will deliver long-term energy security. The United States is proud to be a partner in this effort. Viet Nam's historic commitment will catalyze investment and economic growth and create tremendous opportunity for the Vietnamese people, while advancing the fight against the global climate crisis.”*

**UN Secretary-General António Guterres said:**

*“With today's agreement, Viet Nam is pioneering a new framework of collaboration to deliver a fair, inclusive energy transition towards renewables. These Partnerships are a crucial tool to unlock the emissions cuts our world needs in the 2020s. We need all hands on deck to realize an energy transition that is global, sustainable, just, inclusive and equitable. The United Nations stands ready to continue supporting these Partnerships and all other cooperative efforts.”*

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**[1]** Successful delivery of these ambitious targets will result in a cumulative reduction of around 200 megatons of greenhouse gas emissions by 2030, and a further 300 megatons by 2035, making a total of around 500 megatons or half a gigaton of cumulative emissions saved through the JETP out to 2035, with further savings beyond.