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PRESS RELEASE

CENTRAL PROVINCES OF QUANG NAM AND QUANG TRI TO RECEIVE FINANCIAL SUPPORT FROM THE EU AND FRANCE TOWARDS TACKLING CLIMATE CHANGE IMPACT

Hanoi - The financing agreements of two climate change adaptation projects in the central provinces of Quang Nam and Quang Tri respectively were officially handed over today from the Vietnamese Ministry of Finance to the French Agency for Development (AFD). The two projects include the *“Coastal sustainable and preventive protection in Quang Nam province”* and *“Central coastal urban development towards green growth and response to climate change in Dong Ha city, Quang Tri province”*.

In addition to the handover ceremony, the Ministry of Finance signed two separate on-lending agreements with the representatives of the People's Committees of Quang Nam and Quang Tri provinces to implement the investment projects funded by AFD loan in these two provinces. Both projects are supported with Technical Assistance by the European Union-funded *Water and Natural Resources Management* Facility aiming to reinforce the capacity of local authorities in project management, implementation of adaptation measures, and the local population's resilience to climate change.

Attending the ceremony were Deputy Minister of Finance Vo Thanh Hung, representatives of the Government Office, Ministry of Planning and Investment, Ministry of Justice, and Ministry of Foreign Affairs, Mr. Peteris Ustubs – Director for Middle East, Asia and Pacific of the European Commission's International Partnerships Directorate, H.E. Mr. Julien Guerrier – EU Ambassador to Vietnam, H.E. Mr. Olivier Brochet - French Ambassador to Vietnam, Mr. Hervé Conan, Country Director of AFD.

Vietnam is considered to be one of the most vulnerable countries to the effects of climate change in the world. Rising temperatures and sea levels, increased frequency and intensity of extreme weather events, combined with population growth and urbanisation, are increasing the risk of hazards, such as coastal erosion and flooding across the country.

Among the affected provinces, Quang Nam province, over the last decade, has witnessed serious coastal erosion with increasing intensity, which causes heavy damage to people's property and the tourism industry. In the province of Quang Tri, the City of Dong Ha experiences frequent effects of climate change, including flooding, land subsidence, salinity intrusion and drought. This heavily impacts the safety and lives of people, while the city's current infrastructure is deteriorating.

Speaking at the event, Deputy Minister of Finance Vo Thanh Hung expressed gratitude to the EU and AFD for supporting Vietnam to implement its climate commitments and strengthen its resilience to impacts of climate change. He emphasised Vietnam's expectation to enhance this partnership to reach the goals set forth in the country's socio-economic development policy, particularly supporting provinces and cities in implementing initiatives that will lessen the effects of climate change, strengthen resilience, and promote green growth.

Speaking on behalf of the European Union, Mr Peteris Ustubs said *"Investing in projects like those supported by the WARM Facility not only strengthens local communities' resilience but also contributes to efforts in addressing global climate change effects.. These initiatives are in line with the EU's Global Gateway strategy to narrow the global investment gap, and are a testament to the EU's commitment to be a faithful partner of Vietnam in climate action and sustainable development."*

Mr. Olivier Brochet also shared: *"France through AFD has the ambition to support VietNam in its climate priorities through a range of climate projects at provincial level, amongst them Quang Nam project to cope with coastal erosion related issues, and Quang Tri project to improve the infrastructure system adapting to flooding risks, with an aim to ease the economic growth and improve the living conditions of local population. These two projects are supported by WARM Facility to implement technical assistance that helps strengthen their capacity toward an integrated coastal zone and urban resilience management."*

Background information

About the projects

The project in Quang Nam province will enhance the protection capacity of the entire coastline and restore beaches in a sustainable manner through two main solutions. Firstly, combining of structural protection (submerged breakwater and groynes) for the area spreading from the river mouth to the Victoria resort with 5,000m long, and soft and nature-based solutions (beach nourishment), especially sacrificed nourishment for the extension area to the Northwest from the endpoint of the Northern Project to address the fundamental imbalance in sand supply to the northern part of the coastline. Secondly, applying the integrated coastal zone management (ICZM) strategy and integrated shoreline monitoring mechanism, that is a sustainable approach for the entire coastal area from Son Tra to Tam Hai, 80 km long, which is jointly managed by Quang Nam and Da Nang authorities.

For this project, beyond the investment, a technical assistance will be implemented, under WARM Facility, to perform an integrated coastal zone management including urban planning along the coast, development and operation of effective coastline monitoring tools and multi-stakeholder management mechanism, moving forward to a comprehensive management model covering the whole area of river basin to coastal zone, which is typical for the Central region of Vietnam.

For the project in Quang Tri province, efforts are made to reduce the impact of flooding by both adaptation and prevention approaches. Adaptation is applied through the design of the infrastructure solutions (river embankment, drainage system, green public areas) in response to climate change impacts and risks. Prevention measures including the technical assistance, along with structure solution, will help improve capacity building of the city in forecasting of different flooding scenarios and in urban planning, ultimately strengthening the communities' resilience to climate change, not only for the existing scale Dong Ha city but also to its future growth. The project also addresses the issues that are facing the low-income areas, especially to improve the quality of life of their inhabitants, including access to infrastructure facilities, creating more income-generated activities and areas of green public spaces in the city for their social life.

About WARM Facility

The Water and Natural Resources Management (WARM Facility), a grant of EUR 20 million provided by the European Union and leverage with an AFD loan of EUR 300 million, supports the preparation and implementation of strategic investment projects in the areas of water and natural resources management in response to key local challenges of climate change. WARM Facility contributes to the implementation of the European Union's #GlobalGateway strategy.

About AFD (Agence Française de Développement)

AFD is a public financial institution that finances, supports and accelerates transitions towards a more sustainable world. AFD has financed in Vietnam over 90 projects since 1994 for a total of almost 2.1 billion euros in different sectors: transport, infrastructure, energy and agriculture. In line with the priorities of French cooperation in Vietnam, AFD is positioning its operations to support the implementation of the Paris Agreement

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