



Just Energy Transition Partnership (JETP) with Viet Nam

Concept

The Just Energy Transition Partnerships (JETPs) bring donor countries together with ambitious emerging and developing countries to achieve the 1.5°C target of the Paris Agreement.

In order to accomplish the ambitious JETP climate targets, the partner countries work with the G7 and other donors to develop tailor-made policy and investment plans. These plans cover necessary reforms, investments and concrete projects for the energy transition. To make the transition just, there is a strong focus on social aspects, alongside climate policy objectives. The only way for the transition to succeed is when the population contributes to it and if particularly vulnerable people are taken into account. As a consequence, JETPs not only promote climate action, but also support the 2030 Agenda for Sustainable Development.

JETPs combine proven and innovative approaches of international cooperation: they build on ownership of the partners, they pool support provided by bilateral donors and multilateral banks to deliver on a joint objective and they put an increased focus on private investments.

Objectives of the JETPs

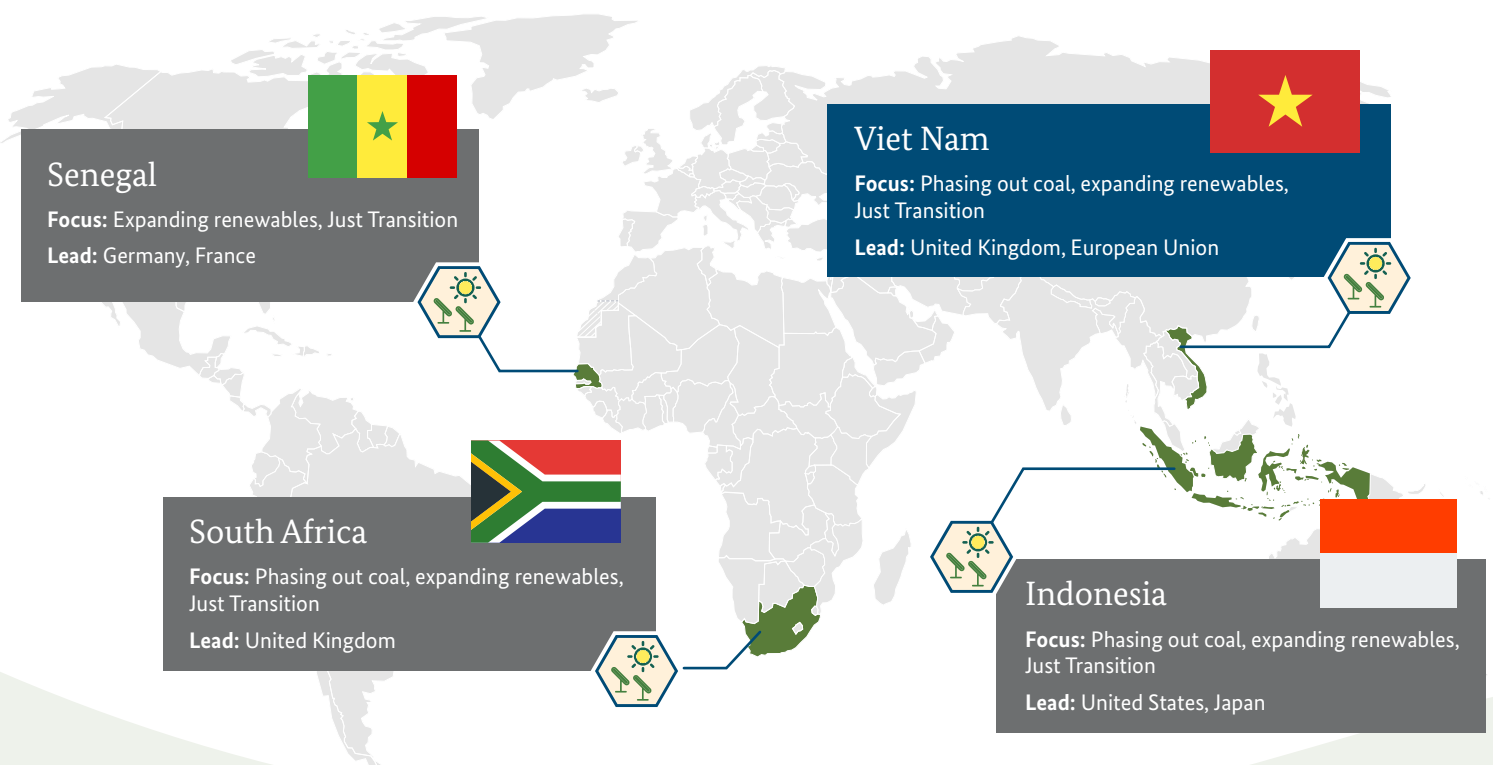


Accelerate the global energy transition

by expanding renewables and phasing out fossil fuels



Shape a socially just energy transition





Emissions peak in the power sector

capped at 170 Mt CO₂ by 2030

(previously: 240 Mt CO₂ by 2035)

47%

renewable energy

share in the total power mix by 2030

(previously: 36%)

previously:
37 GW



target:
30.2 GW

Reduction of planned coal-power generation capacities

and development of an ambitious plan to phase out coal

Topics and objectives of the JETP with Viet Nam

Viet Nam has to move its energy system away from fossil fuels so that its economy can continue to grow sustainably. That is why the country concluded a JETP in December 2022 with international partners. It supports Viet Nam's ambitious climate targets – especially the target to achieve net zero emissions by 2050 – and the transition to renewable energy sources.

The United Kingdom and the European Union coordinate the contributions by the donor countries. Other supporters are the United States, Japan, Germany, France, Italy, Canada, Denmark and Norway. The basis for implementing the partnership is the Resource Mobilisation Plan (RMP). It sets out targets, reforms and investments and coordinates the contributions made in support of Viet Nam's energy transition.

Viet Nam's JETP has a strong focus on the private sector. Members of the Glasgow Financial Alliance for Net Zero, a group of private banks, are contributing half of the planned total funding. This brings additional capital while also actively involving the private sector in the energy transition.

In line with a socially just transition, the partnership puts people at its centre. Energy is to remain affordable. At the same time, the partnership creates new job opportunities by offering further training programmes, especially for people working in the coal sector. In order to ensure that the transition is just, civil society also needs to be involved. The international partners are engaging in an active dialogue with the Vietnamese government in this regard.



Tri An hydropower plant
© Le Hong Ha / EVNPSC

IN PRACTICE

Expansion of the hydropower plant in Tri An

As part of the JETP, the German government supports Viet Nam in developing new legislation to promote solar and wind energy and in expanding power grids. KfW Development Bank provides loans for priority JETP investment projects. These include the construction of a pumped-storage power plant in Bac Ai and the expansion of the Tri An hydropower plant. By increasing the share of solar, wind and hydropower and using energy storage systems, the conditions for phasing out coal are being created.

Published by Federal Ministry for Economic Cooperation and Development (BMZ) Division 422

Addresses of the BMZ offices

BMZ Berlin
Stresemannstraße 94
10963 Berlin
T +49 (0)30 18 535-0

BMZ Bonn
Dahlmannstraße 4
53113 Bonn
T +49 (0)228 99 535-0

As at October 2024

Website

bmz.de/climate-development-partnerships