

25 January 2022

## **HSBC Vietnam commits to arranging US\$12 billion to green Vietnam**

*\*The funding ambition for 2030 underlines HSBC's long-term commitment in supporting Vietnam's net zero transition\**

(Ho Chi Minh City) – In support of the Vietnam Government's aspiring climate goals and COP26 commitment to become a net zero economy by 2050, HSBC Bank (Vietnam) Ltd. (HSBC Vietnam) has announced its commitment to arranging up to USD12 billion of direct and indirect sustainable financing for Vietnam and the corporate sector in Vietnam by 2030.

The bank, in its letter to the Government of Vietnam, has expressed its plan to financially and expertly back corporates' promising and critical green and sustainable projects in Vietnam, which play a vital role in decarbonizing the country's economy. This forms part of [HSBC's broader net zero pledge](#) to help customers transition their business models and decarbonise by prioritising USD750 billion to USD1 trillion in finance and investment by 2030.

According to HSBC's report "[Tackling the next crisis](#)", Ho Chi Minh City is among many cities in Asia (besides Mumbai, Shanghai, Bangkok and Jakarta) that are being increasingly threatened by rising sea levels. World Bank also warned that Vietnam is one of the top five countries likely to be affected by climate change, adding the forecast that climate change will reduce the country's national income by up to 3.5% by 2050.

For Vietnam to reach its net zero target by 2050 it needs to significantly invest in renewable energy and green infrastructure. HSBC has seen a huge surge in its activity as sustainability in Asia shifted gear in 2021. It is a key goal for HSBC Vietnam to help to build a thriving and resilient future for Vietnam and its business community.

Tim Evans, CEO of HSBC Vietnam, said, "The Vietnamese Government has clear ambitions to tackle climate change through both green finance and technology transfer. These commitments give the private sector more confidence to borrow and invest."

HSBC Vietnam will mobilise funds from local and international financial markets to provide a wide range of sustainable solutions in green finance, debt finance, supply chain, trade, green deposits and investment products. HSBC incorporates prudent risk assessment and international green finance standards in providing these solutions.

"We have received positive feedback together with explicit guidance from the Vietnamese Government to work together with a number of ministries and the State Bank of Vietnam to help arrange green funding for Vietnam" – added Tim Evans – "With the Government's dedicated support and direction, the readiness of corporate and individual clients in Vietnam and HSBC's significant international knowledge and experience in sustainable finance, I am very confident that together we can all make a material difference to Vietnam's ambitions to combat climate change," he said.

Sustainable debt issuance reached US \$1.2 trillion globally in the first nine months of 2021. Asia Pacific accounts for 19% of this and HSBC research shows there is more demand from issuers to come.

According to HSBC's [Sustainable financing and investing survey 2021](#), some 73% of Asia issuers say they expect their company to actively seek advice on green, social or sustainability issues in relation to capital markets transactions in the next 12 months – the highest percentage of any region.

In 2021, HSBC was the biggest underwriter of green, social, sustainable and sustainability linked bonds across Asia, nearly doubling 2020 volumes.

HSBC Vietnam has a track record supporting critical green and sustainable projects in Vietnam, which all contribute to decarbonizing the country's economy:

- the first green loans for green certified buildings,
- financed Duy Tan Plastics Recycling Factory in 2020,
- a dual green financing includes a term loan to REE Solar Energy to finance their investment into rooftop solar energy solutions, and a trade finance facility to REEPRO for importing rooftop solar equipment in 2020,
- launched the first Green Deposit for corporates in Vietnam in 2021,
- provided short-term green trade finance in wind energy construction for Power Construction Joint Stock Company No.1 (PCC1), a leading Vietnamese EPC company in power construction,
- launched the world's first exchangeable sustainable bonds for Vinpearl Joint Stock Company in 2021.

*ends/more*

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**Notes to Editors:**

**HSBC Bank (Vietnam) Ltd.**

HSBC has been in Vietnam for over 150 years – the bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. HSBC was the first foreign bank to launch its locally incorporated entity on 1 January 2009 as HSBC Bank (Vietnam) Ltd. The bank's current network includes two branches and five transaction offices in Ho Chi Minh City, one branch and four transaction offices in Hanoi, and two full-service branches in Binh Duong and Da Nang. HSBC is one of the largest foreign banks in the country in terms of investment capital, product range, and customer base.

*ends/all*