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HSBC to cooperate with Ministry of Natural Resources and Environment to help Vietnam realise its sustainability goals

The cooperation focuses on Environment, Social, and Governance (ESG), sustainable finance and risk management

(*Sharm el-Sheikh, Egypt, 10:30 GMT*) – Today marked a cooperation between HSBC Bank (Vietnam) Ltd. (HSBC Vietnam) and Ministry of Natural Resources and Environment when the two exchanged a Memorandum of Understanding (MOU) to collaborate on the Environment, Social, and Governance (ESG) agenda. The ceremony – a COP27 side event - was attended by Minister of Natural Resources and Environment Tran Hong Ha and Mr. Stephen Moss, Regional Chief Executive Officer – Middle East, North Africa and Turkey, HSBC Group, and witnessed by representatives of MONRE and HSBC Asia Pacific's delegation attending COP27.

The MOU states that HSBC Vietnam will assist Ministry of Natural Resources and Environment to build a practical approach in realising its strategies in the alignment with Vietnam's net zero emissions targets as well as to build a framework that unlocks international financing sources to support these goals. In particular, the Bank will focus on four key objectives including:

1. Contributing to the implementation of the National Strategy on Climate Change to 2050 through sharing best practices and experiences to support the Government of Vietnam in the development and completion of the framework and policies to unleash the potential funding resources from international financiers and investors. HSBC Vietnam will contribute knowledge and experience in developing ESG products, financial mechanisms, solutions and programs including international principles and standards on sustainable finance; development of the framework for a USD Sovereign and Sovereign Agency Green Bond; development of local carbon trading market and related financing mechanisms, etc.
2. Supporting Vietnam to build the human resources and capabilities needed in sustainability.
3. Building the Taxonomy - defining sustainable assets and financial products by participating in the development of the second version of the ASEAN Taxonomy for Sustainable Finance to identify and classify sustainable economic activities in the ASEAN region.
4. Contributing and supporting Ministry of Natural Resources and Environment to develop toolkits and guidance for businesses across sectors to assess their emission levels, transition risks and to develop pathways to a lower greenhouse gas emission economy.

The MOU marks another step of HSBC in the execution of its commitment to accompany Vietnam on the journey towards its long term sustainability goals. Last November, Vietnam made a bold commitment at COP26 to reach net zero by 2050. It is essential for the country to call for the participation of both public and private sectors to realise its ambition.

"We highly appreciate the commitment of HSBC to the sustainability of Vietnam as well as its contribution to support the country realise its climate commitment made at CO26. Our fight

against the impacts of climate change is a major challenge which needs the participation of the whole society. Every organisation or business with strong capabilities, expertise, knowledge and experience in sustainability can play an important role in helping Vietnam transition to a low-carbon economy. Particularly, the collaboration between Ministry of Natural Resources and Environment and HSBC can open up a world of opportunity for the Government of Vietnam to leveraging resources from financial institutions, industry associations, technical experts, etc. and encourage more businesses to join the journey”, said Minister Tran Hong Ha.

“Addressing climate change has become more critical than ever. This is especially true in Vietnam which is one of the countries most vulnerable to damage that climate change has on our planet. As both a bank with over 150 years of association with Vietnam and as an international bank who leads the way in sustainability, we are aware of our role to take actions to protect our communities, businesses and natural environment from the damaging effects of climate change. Our partnership with the Government of Vietnam is yet another way that we can help contribute to arresting the negative impacts of climate change. We are very pleased to work alongside Ministry of Natural Resources and Environment on the journey of bringing Vietnam closer to its goal of reaching net zero by 2050 and thereby realising its ambitious commitment made at COP26”, said Tim Evans, CEO of HSBC Vietnam.

Following up on Vietnam’s commitment at COP26, HSBC Vietnam made a commitment to arranging up to US\$12 billion to green the country by 2030. The bank 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.

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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.

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