Programme Title:	**Net Zero Climate Resiliency for Children (NZCRC)**
Countries:	Viet Nam (Asia-Pacific)
National Designated Authorities (NDA):	Viet Nam: Ministry of Planning and Investment (MPI)
Accredited Entity(ies) (AE):	Viet Nam Development Bank (VDB)
Date of first submission/ version number:	*[YYYY-MM-DD] [V.0]*
Date of current submission/ version number	*[YYYY-MM-DD] [V.0]*

A. Project/Programme Summary (max. 1 page)			
A.1. Project or programme	☐ Project ☒ Programme	**A.2. Public or private sector**	☒ Public sector ☐ Private sector
A.3. Is the CN submitted in response to an RFP?	Yes ☐ No ☒ If yes, specify the RFP: _____	**A.4. Confidentiality[1]**	☐ Confidential ☒ Not confidential
A.5. Indicate the result areas for the project/programme	Mitigation: Reduced emissions from: ☒ Energy access and power generation ☐ Low emission transport ☒ Buildings, cities and industries and appliances ☐ Forestry and land use Adaptation: Increased resilience of: ☒ Most vulnerable people and communities ☒ Health and well-being, and food and water security ☒ Infrastructure and built environment ☐ Ecosystem and ecosystem services		
A.6. Estimated mitigation impact (tCO2eq over lifespan)	To be determined	**A.7. Estimated adaptation impact (number of direct beneficiaries and % of population)**	About 5 million About 5% of the total population of Viet Nam (97.5 million)
A.8. Indicative total project cost (GCF + co-finance)	Amount: USD 50 million	**A.9. Indicative GCF funding requested**	Amount: USD 50 million
A.10. Mark the type of financial instrument requested for the GCF funding	☒ Grant ☐ Reimbursable grant ☐ Guarantees ☐ Equity ☐ Subordinated loan ☐ Senior Loan ☐ Other: specify_____		
A.11. Estimated duration of project/ programme:	Disbursement period: 5 years	**A.12. Estimated project/ Programme lifespan**	20 years
A.13. Is funding from the Project Preparation Facility requested?[2]	Yes ☒ No ☐ Other support received ☐ If so, by who:	**A.14. ESS category[3]**	☐ A or I-1 ☒ B or I-2 ☐ C or I-3
A.15. Is the CN aligned with your accreditation standard?	Yes ☒ No ☐	**A.16. Has the CN been shared with the NDA?**	Yes ☒ No ☐
A.17. AMA signed (if submitted by AE)	Yes ☒ No ☐ If no, specify the status of AMA negotiations and expected date of signing:	**A.18. Is the CN included in the Entity Work Programme?**	Yes ☒ No ☐
A.19. Programme rationale, objectives and approach of programme/project (max 100 words)	The $50 million **Net Zero Climate Resiliency for Children** (NZCRC) is financing Net-Zero and climate-resilient social infrastructure and services as a new asset class in climate finance in Viet Nam. The NZCRC will demonstrate the Children Climate Risk Index developed by UNICEF as a composite indicator of child vulnerability and climate and environment shocks. The Viet Nam Development Bank (VDB) is the Direct Access Entity proposing the NZCRC in association with UNICEF, a Delivery Partner of the Green Climate Fund, as the co-Executing Entity in charge of co-managing the Program Management Unit.		

[1] Concept notes (or sections of) not marked as confidential may be published in accordance with the Information Disclosure Policy (Decision B.12/35) and the Review of the Initial Proposal Approval Process (Decision B.17/18).
[2] See here for access to project preparation support request template and guidelines
[3] Refer to the Fund's environmental and social safeguards (Decision B.07/02)

B. Project/Programme Information (max. 8 pages)

B.1. Context and baseline (max. 2 pages)

Viet Nam's Climate Crises

1. The Net Zero Climate Resiliency for Children (NZCRC) is financing Net-Zero and climate-resilient (CR) social infrastructures and services as a new asset class in Viet Nam climate finance. NZCRC aims to build resilience by placing children at the centre of adaptation and mitigation policies and actions. Although NZCRC's primary focus is on adaptation, Net-Zero by 2050 is a Vietnam Government goal and Net-Zero in the project means more than mitigation delivered, it is a concept used throughout the project to be upscaled through demonstration, education, social media, and policy. The NZCRC will demonstrate the Children Climate Risk Index (CCRI)[4], developed by UNICEF as a composite indicator of child vulnerability and climate and environment shocks. Focal areas for NZCRC include CR climate-smart community planning; child-centered climate action; disaster risk reduction; solarization; basic social services, climate-smart education; renewable energy generation and access and energy savings; climate-smart health and nutrition; Net-Zero and CR urban and CR water sanitation and hygiene (WASH) to vulnerable groups of the population, including adolescents and youth, girls, youth, women, persons with disabilities, and their associated communities.

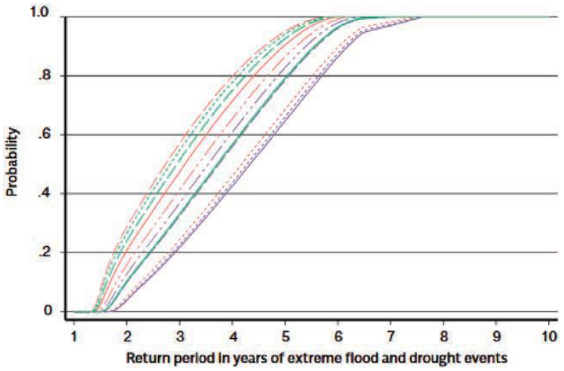
2. NZCRC builds on UNICEF Viet Nam's (UNICEF VN) existing portfolio of CR interventions across many sectors. It builds on UNICEF VN's strong history of multisector child-rights focused work with relevant national ministries and provincial stakeholders. Viet Nam faces a climate threat that is going to affect their children the most. We learned from the COVID-19 pandemic that Viet Nam has a very responsive government, but we also learned that children in rural areas are extremely vulnerable – and many are also on the path of climate change (CC).

3. The International Panel on Climate Change (IPCC) on the Sixth Assessment Report (AR6)[5] describes the expected changes across regions, climate scenarios, and shared socio-economic pathways (SSPs)[6]. Referencing the middle estimate for SSP2-4.5, AR6's **Working Group I (Physical Science Basis)**, confirms with high confidence for Vietnam:

- The observed mean surface temperature increase has clearly emerged out of the range of internal variability compared to 1850-1900. Heat extremes have increased while cold extremes have decreased, and these trends will continue over the coming decades.
- Marine heatwaves will continue to increase around Asia.
- Average and heavy precipitation will increase over much of Asia.
- Mean surface wind speeds have decreased in Asia.
- Relative sea level has increased faster than the global average, with coastal area loss and shoreline retreat. Mean sea level will continue to rise Compound impacts of climate change, land subsidence, and local human activities will lead to higher flood levels and prolonged inundation in the Mekong Delta (*high confidence*).
- Although there has been no significant long-term trend in the overall number of tropical cyclones, fewer but more extreme tropical cyclones have affected the region.

4. Based on the IPCC Working Group 1 estimates, a 2021 Viet Nam climate profile prepared jointly by the World Bank and the Asian Development Bank (ADB)[7] reports:

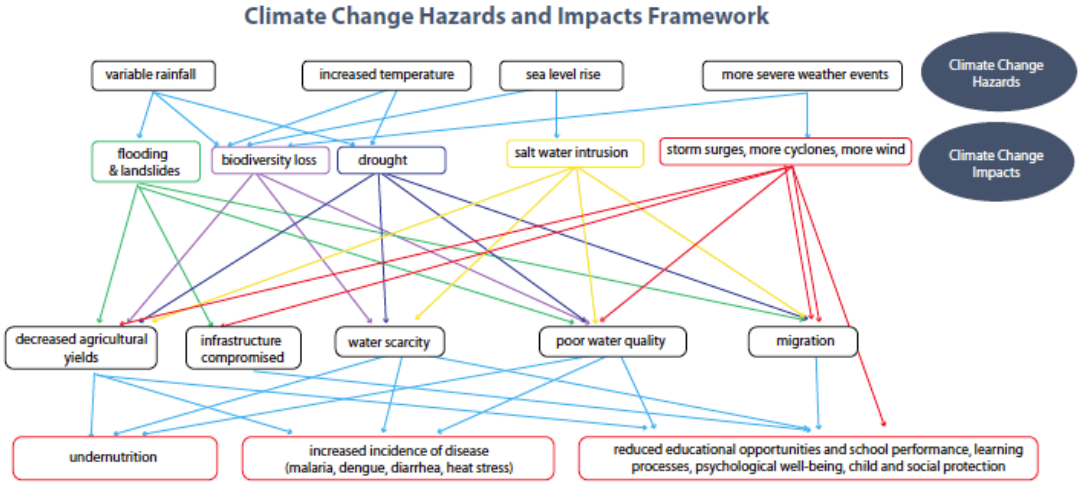
- Rises in annual maximum and minimum temperatures are expected to be stronger than the rise in average temperature, likely amplifying the impacts on human health, livelihoods, and ecosystems
- Viet Nam's low-lying coastal and river delta regions have very high vulnerability to rising sea-levels, affecting 6–12 million by 2070–2100 without adaptation action; and fluvial flooding affecting 3–9 million people by 2035–2044 (depending on the emissions pathway)
- Losses of agricultural productivity are projected for key food and cash crops
- Temperatures rise will lead to negative health outcomes, particularly for poorer communities and laborers.



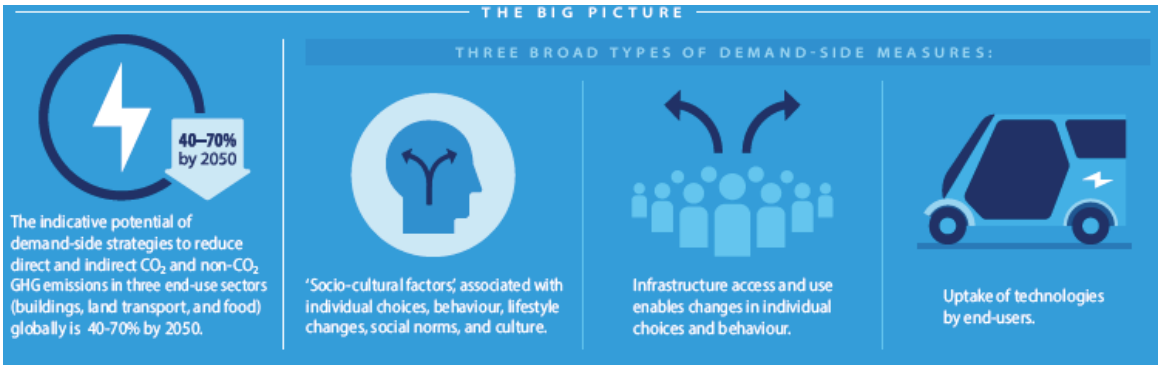
[4] *The Climate Crisis is a Child Rights Crisis: Introducing the Children's Climate Risk Index.* United Nations Children's Fund (UNICEF), 2021
[5] AR6: https://www.ipcc.ch/assessment-report/ar6/
[6] *SSP1: low challenges for mitigation and adaptation; SSP2: middle of the road; SSP3: high challenges for mitigation (regionalized energy / land policies) and adaptation (slow development) SSP4: low challenges for mitigation (global high tech economy), high for adaptation (regional low tech economies) SSP5: high challenges for mitigation (resource / fossil fuel intensive) and low for adaptation.*
[7] Climate Risk Country Profile, WB and ADB, 2021, based on data from https://climateknowledgeportal.worldbank.org

- Potentially significant social and economic impacts across multiple regions and sectors. Without effective adaptation and disaster risk reduction efforts, multidimensional poverty and inequality are likely to increase.
- With around 10% of the population undernourished[8], a once in four year's event impacting three highly exposed communities (see figure) had a 50% chance of pushing a household into extreme poverty[9].

5. In AR6, The ***Working Group II (Impacts, Adaptation and Vulnerability***), highlights with high confidence that climate change is increasing vector-borne and water-borne diseases, undernutrition, mental disorder, and allergy-related illnesses increase from heatwaves, flooding, drought, air pollutants with more exposure, especially vulnerable groups.[10] Increases in heavy rain and temperatures increase risks of diarrhea, dengue, malaria, and increase infant mortality. Increased occurrences of floods and droughts increase water and food insecurity. AR6 cites robust evidence that increased climate variability and extreme events are driving migration and will probably increase, with increasing involuntary displacement. Building on AR6's impact analysis, a joint study by UNICEF and Vietnam stakeholders specifically identified the same, Vietnam specific linkages between climate change impacts in Vietnam and children' health and well-being (see adjacent figure).[11]



6. ***Working Group III (Mitigation of Climate Change)*** states that global greenhouse gas emissions implied by Nationally Determined Contributions (NDCs) make it likely that warming will exceed 1.5°C and difficult to limit warming to below 2°C. Viet Nam's greenhouse gas emissions (GHGs) for 2019 was 450,149 $ktCO_2$, a 12.85% increase from 2018[12]. AR6 highlights for the first time the social and demand-side aspects of climate mitigation that are consistent with improving basic well-being for all (see figure). As long as the necessary policies, infrastructure and technologies are in place, changes to lifestyles and behavior have a large GHG reduction potential. Working Group III cites the direct links between climate mitigation and the sustainable development goals (SDGs) and in line with the SSPs, promoting a paradigm shift by governments and communities to more sustainable practices that promote social services. Attention to climate equity and just transitions, recognizing and addressing the unequal burdens made worse by climate change, support the drive for accelerated climate action.



Demonstrating climate vulnerability in Viet Nam

7. The Global Climate Risk Index 2020[13] ranks Viet Nam as the thirteenth most affected country in the world by climate variability and extreme weather events over the period 2000-2019. With 3.260 kilometers of coastline, climate change is projected to increase the frequency of natural disasters and extreme heat events in most areas in Viet Nam. United Nations Office for Disaster Risk Reduction (UNDRR) estimates Viet Nam's average annual losses to disaster at

[8] *FAO, IFAD, UNICEF, WFP, WHO (2017). The state of food security and nutrition in the world*
[9] *ADB (2017). Risk financing for rural climate resilience in the Greater Mekong Subregion*
[10] AR6, Chapter 10
[11] Climate Landscape Analysis For Children in Vietnam, UNICEF, Vietnam Ministry of Planning and investment, 2022
[12] https://www.climatewatchdata.org/ghg-emissions?end_year=2019&regions=VNM&start_year=1990
[13] Global Climate Risk Index, 2021, Germanwatch, 2021

around $2.4 billion, or almost 1.5% of GDP.[14] Viet Nam was recognized at COP 26 as one economy most affected by climate change, with projections on losses to GDP by 2040 of 6.7%.[15] Increasing natural disasters, environmental degradation and difficult access to clean water are now priorities for Government.[16] Dependency on fossil fuels that currently contribute to extremely high pollution levels and worsening climate change is a significant challenge. Meanwhile, climate change, rising sea levels and more natural disasters heavily affect agriculture and food security, and disproportionately affecting the most vulnerable. Vietnam's NDC[17] document cites $10 billion lost in 2020, or 3.2 percent of its GDP, to climate change impacts and that an average temperature increase of 1.5°C could cost 4.5% of GDP, and 1°C would cause a 3.8% increase of hospitalization rate for children under five.

8. For example, in 2020, a succession of tropical storms and typhoons affected the central provinces bringing high winds and torrential rainfall and causing widespread floods and devastating landslides in central Viet Nam. As a result, the Viet Nam Disaster Management Authority (VDMA) reported 243 killed or missing and an estimated $1.52 billion in damage and loss. About eight million people were affected, with 1.5 million in nine provinces directly affected, of whom over 750,000 were women and girls and 134,000 children under five years old. All were at extreme risk of disease, poor nutrition, and delayed response. In addition, the floods severely damaged infrastructures such as roads, schools, health centres, and community amenities – 1,569 schools were affected, of which 360 were flooded or destroyed.[18]

9. Over 88 percent of diseases attributable to climate change occur in children younger than five years of age. Children's right to food security is threatened by climate impacts on the agricultural sector, ranging from complete crop failure to chronically reduced yields and lower incomes for families. Children are vulnerable to food insecurity, as periods of undernutrition and disruptions to health and nutrition services and constraints to protecting, promoting and supporting optimal infant and young child feeding can contribute to delayed development, lower school attendance because of reduced household incomes and increased vulnerability to non-communicable diseases later in life. Higher temperatures contribute to increased risks of dengue, malaria, diarrhea, hand-foot-mouth disease and higher hospitalization rates, especially among the elderly and children. Climate change also affects the WASH sector, including negative impacts on water availability and quality. Drought and associated water scarcity can affect education and health services if the quality and quantity of water available to schools and healthcare facilities is diminished. Climate change-related disasters can contribute to increased school closures, school dropouts, general underachievement and deny children's right to education. Numbers of those vulnerable in Vietnam include: (i) over 20 million people live in high-water stress and climate vulnerable areas; (ii) 44 percent of households use drinking water that is contaminated with *E.* coli; (iii) 3 million people are practice open defecation and 90% domestic wastewater is discharged directly to receiving water; (iv) 40% of schools lack basic water, sanitation and hygiene services; and (v) 85+% of people do not wash their hands with soap and water.[19] Despite overall progress on child nutrition, stunting rates remain high (19.6 percent) and disparities persist among ethnic populations (38 percent).[20] Estimates for the economic costs of air pollution lowered Viet Nam's GDP by 1% in 2020.[21]

10. Floods in Vietnam cause irregular and unsafe migration of families and children, internally and cross-borders, According to the Internal Displacement Monitoring Centre, with more than a million displaced people during 2008-2012, Viet Nam ranked 17th of 82 countries with the most displacement by natural disasters[22]. Displacement from natural disasters increases children's risks to child labour, child trafficking, sexual exploitation, child neglect and left behind children. The rapid assessment of children affected by the floods in the Central provinces, 2020, showed that children's mental health and psychosocial well-being were adversely affected. School closures exposed children, particularly girls, to domestic violence and left them at higher risk of neglect, exploitation and abuse.

Viet Nam's response to its climate crisis

11. Despite the challenges, many opportunities were seized, and impressive Government commitments made to a greener, more inclusive growth, to zero net emissions and to driving a significant digital transformation.[23] Viet Nam announced at COP26 a target of net zero GHG emission by 2050. Viet Nam's National Adaptation Plan (NAP), prepared with the support of UNDP and GCF, is not final; and the government is currently adjusting mitigation and adaptation targets in the country's Nationally Determined Contributions (NDCs). Viet Nam is a signatory and active participant to several global policy agendas, including the Paris Agreement.

[14] United Nations Office for Disaster Risk Reduction (UNISDR), https://www.undrr.org/building-risk-knowledge/global-risk-analysis-and-reporting
[15] https://www.afd.fr/en/ressources/gemmes-Viet Nam-climate-change-impacts-and-adaptation
[16] Nationally Determined Contribution (NDC), Socialist Republic of Vietnam, 2022
[17] Ibid.
[18] Climate Landscape Analysis For Children in Vietnam, UNICEF and the Vietnam Ministry of Planning and investment, 2022
[19] UNICEF WASH Team, data summary 2023
[20] Viet Nam National Nutrition Survey
[21] Viet Nam, Country Climate and Development Report, World Bank, July, 2022
[22] Climate Landscape Analysis For Children in Vietnam, UNICEF and the Vietnam Ministry of Planning and investment, 2022
[23] UNICEF, Viet Nam *Country Office Annual Report 2021.*

Under the United Nations Framework Convention on Climate Change (UNFCCC) and the 2030 Agenda for Sustainable Development, which play key roles in the well-being of people and the environment. Climate policies and strategies that recognize children's issues related to climate change include the NSGG, NDCs, and the NSCC. Children account for over one-third of the Vietnamese population and about 23% under the age of fourteen, and recognizing their importance to addressing climate change challenges. The MPI (Viet Nam NDA) commissioned UNICEF to prepare the Climate Landscape Analysis for Children (CLAC). The CLAC provides a baseline situation analysis of climate-related issues affecting children to inform the development of socio-economic development plans and other climate change-related policies with a more child-centered approach does

Viet Nam Climate Law and Guidance	Date
Nationally Determined Contribution to UNFCCC Submitted [Vietnam does not have a National Adaptation Plan (NAP), however NDC section 3 is an adaptation plan]	updated2022
National Strategy on Green Growth 2021-2030 (NSGG)	September 2021
Financing Viet Nam's Response to Climate Change	April 2015
Law on Natural Disaster Prevention and Control Enacted	June 2013
Technology Needs Assessment, Climate Change Adaptation	June 2012
National Strategy on Climate Change (NSCC) Enacted	December 2011
National Communications to the UNFCCC (3 submissions)	February 2019

12. Viet Nam's cross sector, Ministerial climate partners include (i) the Ministry of Natural Resources, Environment (MONRE) who oversees climate change, reports on NDCs, develop climate change policy, and works with other ministries on sanitation, clean water, and disaster risk reduction (DRR); ii) the Ministry of Health (MoH) which monitors nutrition conditions, interventions and health care for children in areas most affected by climate change impacts and implements the Health Sector's Action Plan on Climate Change in the period of 2019-2030 with vision to 2050; (iii) Ministry of Education and Training (MOET) that ensures children's learning and skills building; (iv) the Viet Nam National Committee on Children, which comprises the ministers of the Ministry of Labor, Invalids and Social Affairs (MOLISA), MOET, and MOH; (v) in 2021, the Ministry of Agriculture and Rural Development (MARD) developed Viet Nam's National Strategy on Rural Water Supply and Sanitation, 2030 with Vision to 2045, Master Plan on Water Security and Dam Safety, establishing vulnerable groups' priorities, sanitation, hygiene and wastewater to achieve water and sanitation SDGs by 2030.

13. Vulnerable populations and weak support systems came to light during the COVID-19 pandemic. Despite their best efforts, there were over 30,000 deaths and over 3,417 children orphaned. Similar to results from a natural disaster, 22 million children were denied adequate learning and the pandemic response revealed that water and soap were not available in 30% of schools and identified the elevated violence and mental health challenges.[24] Viet Nam's National Strategy on Social Protection and Child Protection System Strengthening, the National Program on Social Work Development, 2021-2030, and the Master Plan on Social Assistance Reform and Development 2017-2025 all have a vision to provide a CR social assistance system that is flexible and proactive in responding to different types of crises, including climate change, economic and pandemic-related, and increase prevention and responses (including cash to families, and integration of nutrition in DRR plans) to climate change impacts on children and families[25].

Barriers to delivering net zero (NZ), CR social infrastructure and services to vulnerable children

14. The government (see above) demonstrated its commitment to net zero by 2050 and providing vulnerable communities with adaptation support however, to deliver requires an integrated, cross-sector approach that includes CR social services at the community level (generally rural areas). Barriers to delivering are highlighted below.

15. The NZCRC is contributing to overcoming barriers to Net-Zero, CR social infrastructure and services, such as:

(a) Institutional and Regulatory

- Lack specific policies, standards, guidelines, and financing that support community-led, Net-Zero social infrastructure and services which focus on the most vulnerable children, their families and the community
- Limited institutional capacity at the national and provincial levels for coordination of Net-Zero social infrastructure and services and community capacity gaps in providing CR health and nutrition, education, WASH, child protection, social protection, and other community social services
- A lack of comprehensive, forward-thinking policies and strategies hampers efforts to initiate and scale Net-Zero and CR social infrastructure and services such as adaptative planning, governance, regulation, and risk reduction to address critical climate drivers and mainstream climate benefits into the investment decision-making process
- Low priority by Ministries for integrated Net-Zero social infrastructure and services, especially in poorer and vulnerable communities where natural disasters resulting or compounded by climate change - focus (financing, capacity building, infrastructure) on urban and not rural water supply and sanitation
- Inconsistency in integrating climate change education across sectors – education (CC curriculum), health, nutrition, WASH, social protection, and emergency preparedness

(b) Environmental and Social

[24] Viet Nam *Ministry of Health, 12 Feb 2011.*
[25] UNDP data, 2021

- Limited climate, health, nutrition, and migration data and information, especially in vulnerable areas, to assess CR approaches.
- Inadequate level of data integration, such as a climate information and early warning systems (CIEWS), to conduct climate-smart net zero community planning, CR multi-sector social infrastructure such as climate-proofing key infrastructure (health facilities, schools), CR WASH health & nutrition, education services, renewable reliable electricity supply, and DRR.
- Limited long-term vision, data and information on cost vs benefit regarding investing on Net-Zero knowledge and skills for children and associated infrastructure and services
- Limited information on social infrastructure assets and services vulnerability to climate hazards, preventing sustainable and durable community investment planning - and to prevent maladaptation investments
- Lack of a community-wide participatory approach, especially indigenous people, women, and children to plan, design, implement and manage Net-Zero and CR social infrastructures and services
- Insufficient human and financial resources to help build capacity at the community level to improve community engagement and address demand-side management for user behavior and services predictability
- Limited use of social media and peer-to-peer networks to deliver environmental, social and climate change messaging
- Low visibility of successful Net-Zero CR social infrastructure projects that highlight efficiency, long-term social, environmental and health benefits, and demonstrate how to replicate and scale up

(c) Infrastructure and Technical

- Infrastructure lacks sufficient operation and maintenance (O&M) budgets to ensure the long-term sustainability of the Net-Zero CR social infrastructure investments
- Perception that Net-Zero CR social infrastructures investments cost more, not feasible, take longer to implement, and have political and operational risks – long term economic gains are not considered in investments
- Low level of standardization of innovative climate technologies for Net-Zero CR social infrastructures constraining project development at scale
- Public/private project investors lack expertise to plan, prepare, and implement Net-Zero projects and to maximize climate benefits by including climate innovation
- Social infrastructure gaps in the service deliver across sectors: energy supply, flood, storms and drought protection, health and safely managed water and sanitation, education, nutrition and food security, child protection, and social protection.

(d) Economic and Financial:

- No consensus on methodology to quantify economic co-benefits of adaptation for social infrastructure and services – needed as a basis for financing sustainable climate proofing investments
- Limited cross-sector consensus on economic value, life-cycle cost, and climate accounting – needed to enhance green, CR infrastructure investments
- Affordability constraints for transformational and innovative climate solutions in comprehensive and integrated (multi-sector) social infrastructures and services, resulting in continuous exposure to climate impacts and limited climate benefits for children, especially girls, women, and associated communities
- Limited financial instruments to ensure Net-Zero CR social infrastructure and services sustainability - targeted subsidies require valuation of socio-economic co-benefits to reduce financial risk and enable public/private sector participation
- Community access to long-term financing is limited, restricting demonstration projects financed by the development partners and their eventual scaling up
- Smaller, random community projects miss out financial advantages of a programmatic approach to supplying similar Net-Zero CR social infrastructure and services to multiple communities, which maximizing delivery of services, climate benefits and attracts public/private finance

B.2. Project/Programme description (max. 3 pages)

Addressing the barriers to delivering NZCR social infrastructure and services to vulnerable children

16. The theory of change (TOC) diagram and Annex 2 - NZCRC: Overview of Net-Zero Climate Resilience for Children Project show how the outputs address the barriers highlighted in the previous section and lead to the outcomes. The NZCRC TOC is in Annex 1, and below is the rationale underpinning the project illustrated by the infographic in Annex 2.

Assuming that: (i) Demonstrating Net Zero and CR integrated social infrastructure and services will sustain a safe climate environment for already vulnerable communities, and especially children, that face future CC threats; and (ii) a programmatic approach with key stakeholders will leverage public funding and deliver integrated social infrastructures and services by building equity and institutional resilience for planning, development and operation and maintenance. *Despite the barriers;* (i) Environmental and Social; (ii) Socio-economic and Financial; (iii) Institutional and Regulatory; and (iv) Infrastructure and Technical.

A new paradigm is needed with four crosscutting outputs, each that deliver adaptation and mitigation benefits: (i) strengthen child centered and gender-sensitive climate action, disaster risk reduction, and environmental protection: (ii) facilitate inclusive, gender-responsive CR WASH and behavior change; (iii) reinforce systems and provide climate-smart solutions to strengthen health and nutrition resilience to CC; and (iv) Climate-smart education framework in the national curriculum, including CC & green skills and habits. *The new paradigm involves developing mechanisms which address key structural outcomes, aligned with the four GCF drivers of change:* (i) Transformational Planning and Programming - focusing institutional CR and Net-Zero policies in social infrastructure, community services, and child/gender-centered programs that increase community adaptation and mitigation capacity; (ii) Catalyzing Climate Innovation: mainstream Net-Zero innovative technologies and CR services that build CR equity, maximize climate benefits, and generates co-benefits; (iii) Mobilization of Finance at Scale: Scaling-up climate finance through programmatic approach for Net-Zero and CR social infrastructure across education, health, WASH, and child and social protection – all leading to a CCRI reduction; and (iv) Coalition and Knowledge to Scale-up Success: Improving awareness, knowledge and equity social and green infrastructure, engaging the community, private, and financial sectors.

To realize the Goal of the NZCRC: **IF** Viet Nam agrees to invest in child-centered, net zero climate solutions; **THEN** children, including girls and young women (5 million) will have improved child-sensitive planning, policies, and social protection services; sustainable access to water and sanitation; strengthened climate resilient (CR) poor and rural health infrastructure; CR nutrition school and community programs; disaster risk reduction (DRR) and net zero CR adaptive upgrades and climate change mitigation for vulnerable schools; K1-12 climate- education framework; and in-line with the Net-Zero pledge in Vietnam's National Climate Change Strategy (NCCS) to 2050[26]. **BECAUSE** an increased investment in Net-Zero CR social infrastructure catalyzes sustainable green community development with circular economy models along Shared Scio-Economic Pathways (SSPs), building CR equity for the community and especially for children at risk.

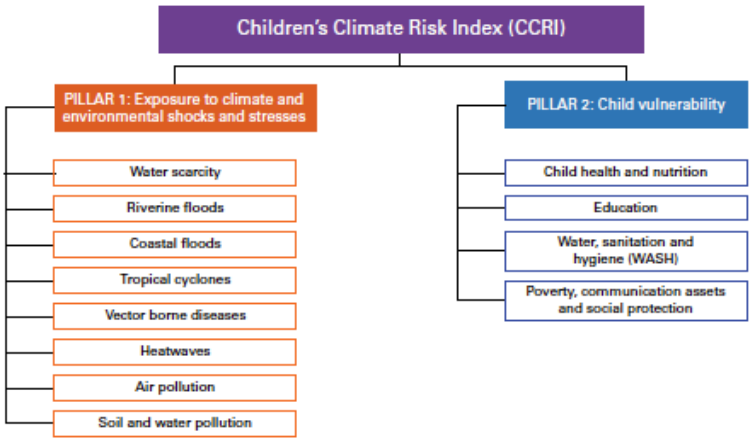
Social, economic impacts, implementation strategy and sustainability: The NZCRC implementation strategy involves creating a Climate Resilient Community for Children by utilizing CCRI data for the development of comprehensive NZCRC plans outlining specific mitigation and adaptation measures across all sectors. Components of these plans will be supported by the NZCRC initiative and also provide a framework along with replicable approaches for other sectors, particularly businesses, to invest in.

Additionally, the allocation of a $50 million grant for the NZCRC project is justified because the funding will underpin the creation of a transformative climate-resilient infrastructure and services, with a dedicated focus on safeguarding the well-being and future of children. The project's pioneering approach, backed by a credible UNICEF-developed CCRI indicator, establishes a precedent for integrating climate resilience and net zero actions for children, their families and communities. Moreover, the project deploys a simple and seamless approach, and the potential for replication in diverse regions underscores its significance in advancing climate resilience efforts. This grant empowers Viet Nam to drive positive change in child well-being and climate resilience by fully aligning with Sustainable Development Goals. Furthermore, the sustainability of the NZCRC initiative lies in its holistic approach and design, integrating children in climate strategies, national policies and investments. By cultivating a climate-resilient child-centred approach beyond the project scope, NZCRC secures investments and policy changes for nationwide replication. In addition, by encountering climate change impacts, experiencing CR social infrastructure and services, climate-smart education, and green SBC, children will grow to become climate champions ensuring long-lasting mitigation and adaptation.

The NZCRC project is pivotal in Vietnam's journey toward achieving net-zero emissions by 2050. The project enhances climate awareness, and its replicable model accelerates progress towards net zero. By exemplifying Viet Nam leadership on Net-zero prioritizing the children - the most vulnerable population the NZCRC project positions Vietnam as a leading climate leader while promoting international emulation of its child-centred approach.

Introducing the Children Climate Risk Index as a powerful monitoring indicator for climate resilience

17. In 2021, UNICEF developed the Children Climate Risk Index (CCRI)[27] to provide the first comprehensive view of children's exposure and vulnerability to the impacts of climate change.[28] The composite index ranks countries based on children's exposure to climate and environmental shocks and their vulnerability to those shocks based on their access to essential services. The CCRI comprises a conceptual framework and an initial assessment at the global and national level of children's exposure and vulnerability to climate and environmental hazards, shocks, and stresses. UNICEF established children are more susceptible to climate and environmental shocks than adults[29], and any CCRI reduction translates into reducing the impact of climate change on children, women, and their associated communities and improves people's climate resilience. The composite CCRI aggregates the results from two pillars (i) climate and environmental shocks and (ii) child vulnerability. Viet Nam's composite CCRI index is 6.8, or very high. Figure 1 (adjacent figure) summarizes the climate, environmental, and child vulnerability themes analyzed to rate the two pillars before consolidation into the CCRI. In 2019, UNICEF conducted a Vietnam child centered risk assessment which provides a basis for subnational information.[30]



How NZCRC addresses the barriers to Viet Nam's climate crisis

18. The NZCRC intends to reduce climate vulnerabilities and inequalities for children and women and address other factors that lead to the marginalization of categories of a vulnerable population. NZCRC outputs contribute to (i) climate mitigation by improving the efficiency and the performance of the basic social services in a sustainable, durable manner, including demand-side management, and match the GCF's result areas of 'Energy generation and access', 'Infrastructure and built environment', and 'Buildings, cities, industries, and appliances''; and (ii) building community climate resilience, with a focus on children, through climate proofing social infrastructure and services matching the GCF's result areas of 'health, food, and water security', 'Livelihoods of people and communities', and 'Ecosystems and ecosystem services'. Demonstrating climate adaptation and mitigation benefits from NZCRC CR social infrastructure and services will have a knock on affect and be upscaled. Table 1 shows the alignment of CCRI's Pillar 1 *Exposure to climate and environmental shocks and stresses* (Viet Nam scores 8.8, or extremely high) with the SDG 13 (climate action) and the GCF's Sector Guides and their paradigm-shifting development pathways.

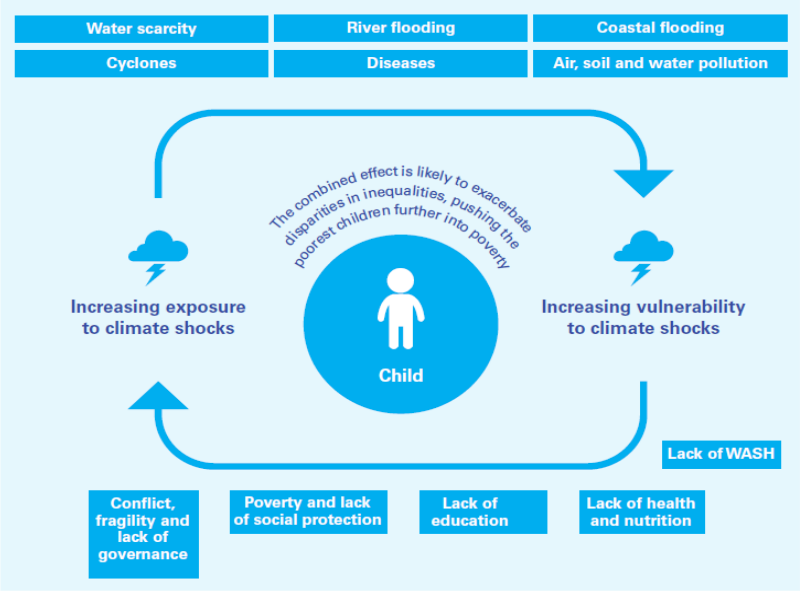
Table 1. CCRI Alignment with SDG13 and GCF Sector Guides for Paradigm Shifting Pathways

CCRI Exposure to climate & environmental shocks & stresses	SDG13 Climate Action	GCF Sector Guides - Paradigm Shifting Pathway
Water Scarcity	13.2. Integrate climate change measures into national policies 13.3. Improve education, awareness raising, and human & institutional capacity 13.a. Implement the commitment to a goal of mobilizing jointly $100 billion annually by 2020 13.b. Promote mechanisms for raising capacity for effective climate change-related planning & management	• Water Security (I & II) • Cities Building & Urban Systems (III & IV) • Health & Well-Being (I & II) • Energy Efficiency (I)
Riverine & Coastal Floods	13.1 Strengthen resilience & adaptative capacity 13.3. Improve education, awareness raising, and human & institutional capacity 13.a. Implement the commitment to a goal of mobilizing jointly $100 billion annually by 2020	• Water Security (II) • Climate Information & EWS (I; II; III) • Ecosystems & Ecosystems Services (I & II)
Tropical Cyclones	13.1 Strengthen resilience & adaptative capacity 13.3. Improve education, awareness raising, and human & institutional capacity	• Climate Information & EWS (I; II; III)

[27] See Annex 3 and the attachment for a complete explanation of the CCRI
[28] UNICEF. 2021. The climate crisis is a child crisis. New York. https://www.unicef.org/reports/climate-crisis-child-rights-crisis
[29] Viet Nam Child-Centred Risk Assessment and Training, for VDMA, Final Report; UNICEF, 2019

Vector Borne Diseases	13.3. Improve education, awareness raising, and human & institutional capacity	• Health & Well-Being (I & II)
Heatwaves	13.1 Strengthen resilience & adaptative capacity 13.3. Improve education, awareness raising, and human & institutional capacity 13.a. Implement the commitment to a goal of mobilizing jointly $100 billion annually by 2020	• Climate Information & EWS (I & II) • Ecosystems & Ecosystems Services (I) • Health & Well-Being (I & II)
Air Pollution	13.1 Strengthen resilience & adaptative capacity 13.3. Improve education, awareness raising, and human & institutional capacity 13.a. Implement the commitment to a goal of mobilizing jointly $100 billion annually by 2020	• Health & Well-Being (I & II) • Cities Building & Urban Systems (I; II; III; IV) • Energy Efficiency (I & II) • Energy Generation & Access (I; II; III)
Soil & Water Pollution	13.1 Strengthen resilience & adaptative capacity 13.3. Improve education, awareness raising, and human & institutional capacity 13.a. Implement the commitment to a goal of mobilizing jointly $100 billion annually by 2020	• Water Security (I & II) • Agriculture & Food Security (II) • Cities Building & Urban Systems (I; III; IV) • Ecosystems & Ecosystems Services (I & II)

19. Most of the outputs build on existing UNICEF and Viet Nam Government (climate baseline survey data, government policy discussions and NDCs support Ministries) identified barriers. Issues raised during discussions about this project had cross-cutting themes that all involved the need for a programmatic approach, demonstration at scale, and community led and delivered CR infrastructure and services. NZCRC is divided into components that are all link with the crosscutting activities that are delivered in a programmatic, unified approach across the beneficiaries. Because of the recent COVID-19 and flood experience, the government recognized the need for CR infrastructure and fast mobilization of emergency funding for climate-related natural disasters. The government appreciates that the NZCRC CR social infrastructure and services will reduce the CCRI and therefore address climate and environmental factors and child vulnerability. The adjacent figure shows the clear linkages between climate shocks and development impacts, as demonstrated by the SSPs under AR6 and how the CCRI acts as the overarching indicator between climate and environmental factors and climate vulnerability.



20. Output 1: Strengthen child centered & gender-sensitive cross-sectoral climate actions with policy, community-led solutions and capacity building. This crosscutting output addresses the 'Institutional and Regulatory' and 'Environment and Social' barriers and shifts the policies into results-based actions. It brings sectoral actions together and is the link between national policy and guidance to provincial and community implementation. Sub-activities at the national and subnational level build on UNICEF's groundwork and relationships to deliver:

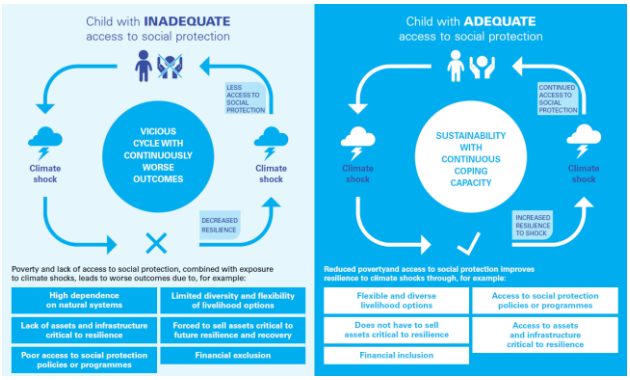
(a) Review/update laws, policies, standards, guidelines, investments, and financing to have a focus on children for Net-Zero community initiatives and are gender-responsive. This activity centers on strengthening climate policy gaps and institutional frameworks for delivering entire community CR solutions. UNICEF has identified key focal points for transformational CC and CR interventions in WASH, environment, health, education, child protection, and climate change and disaster risk reduction (DRR) policies, strategies, guidance and plans and budgeting. These policy actions, child-centered, activities guide the subnational interventions that need to be prioritized and delivered using a programmatic approach. Sample activities include: (i) support updates Viet Nam's CC legislation[31]; (ii) work with parliamentarians on CC[32] and DRR schemes, (iii) work on cross-sectoral policies for data collection and distribution; and (iv) work with ministries, VDB, and provinces on prioritization using risk informed programing and community NZCRC planning and implementation.[33]

(b) Strengthen data, monitoring, and planning for evidence-based policy and investments for Net-Zero and CR communities. 'If you can't measure it, you can't manage it' (Bloomberg) and lack of data and monitoring, at the community and sector-level, prevent good decision making, which are fundamental to planning for Net-Zero, CR

communities. Establishing a child and community centred CC risk index underpin the NAP with sectoral adaptation strategies that mainstream children, gender, and social inclusion. This includes monitoring air quality in child-centric locations and procurement of equipment.

(c) Green behavior change communication & social mobilization, engaging children and young people as agents of change for Net-Zero, CR communities. Green behavior change, social mobilization, and communication with communities, through children as agents of change is a proven strategy for building CC awareness and action. Online social media platforms (Facebook, YouTube, and Zalo) designed for children, with child-centered activities, allow young people to contribute to the CC dialogue. Innovative children forums and interactions raise awareness, starts a community CC dialogue, and mobilizes communities for CC action.

(d) Preparedness and Disaster Risk Reduction: key interventions include conduct comprehensive risk assessments to identify hazards, vulnerabilities, and exposure levels in the target areas; establish robust early warning systems that provide timely and accurate information about disasters; Develop guidelines for resilient infrastructure and safe shelters that can withstand the impact of disasters; Provide capacity building to community members, government officials, and first responders, on disaster risk reduction, preparedness, response and long term resilient building; strengthen evacuation centers including solar power and WASH system, improve emergency supplies system develop logistics plans to ensure the timely and efficient distribution of these supplies to affected areas during disasters; Develop plans for post-disaster recovery that prioritize the restoration of essential services, infrastructure, and livelihoods incorporating resilience-building measures to ensure that communities can bounce back stronger and more prepared to face future disasters.

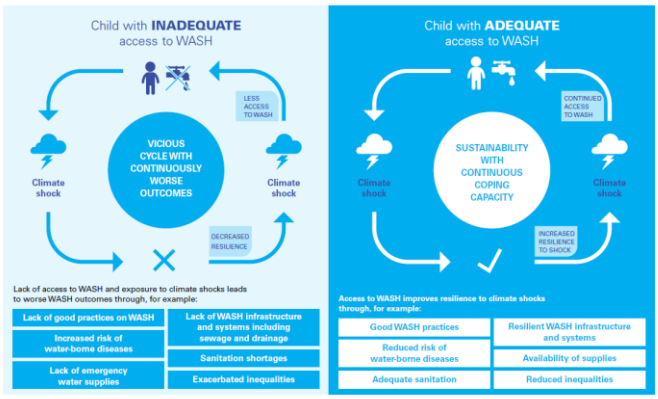


(e) Climate-responsive social protection and childcare measures and capacity building**:** Develop and implement social protection policies and programs that integrate climate risks into design and implementation can address the specific vulnerabilities of children and families to climate change impacts. This includes ensuring access to essential social protection, childcare and protection services, implementing cash support for climate-induced disaster preparedness, response and recovery, and enhancing community-based childcare and protection mechanisms. With regard to social protection, forecasting climate impact on community needs and and the market will be undertaken in selected locations. This will be followed by the refinement of a climate-informed cash transfer design and delivery mechanism with strengthened linkage to essential services for children. In terms of childcare and protection measures, different interventions will be implemented. These include capacity building of the social service workforce for provision of social care, protection and support to children affected by natural disasters and climate-induced migration. Training and education programs that improve community adaption and risk reduction include child protection, mental health, psychosocial support, digital child protection case management system, climate change and health and emergency preparedness.

21. Output 2: Facilitate inclusive, gender responsive, CR WASH, capacity building, and behavior change. The investment that improves access to safe water and sanitation, contributes to water security, and increases health and well-being, addressing barriers of 'Environment and Social', 'Socio-Economic and Financial', 'Institutional and Regulatory', and 'Infrastructure and Technical'. The following sub-activities support the output. Each output has multiple stakeholders and is interrelated to other tasks and thus requires close coordination and integration.

[31] Climate Change law and sub-law (new) and the Natural Disaster Prevention and Control Law and sub-law revision (2026)
[32] One example is to work on getting youth in to Vietnam's Nationally Determined Contribution (NDC) document now under preparation (with the assistance of GCF). The example from Vanuatu is in Annex 2.
[33] Cross-referencing vulnerability data; new vulnerability surveys, UNICEFs CCRI, risked-informed programing (GRIP), SDGs, and SSPs

(a) Develop CR WASH policies, strengthen capacity at the national and community levels, and empower communities to sustain programs and upscale. Vulnerable groups access to safe water and sanitation (SDG 6) is an important component of Viet Nam's government strategy and the NZCRC project (addressing barrier 'Environment and Social'). UNICEF has a WASH strategic framework[34] guidance and working relationship with WASH stakeholder ministries that need updated WASH policies, capacity, and awareness raising with communities. Each communities' needs for clean water, sanitation, solid waste, and DRR is unique and the WASH policies need to empower communities to implement and sustain the WASH program. Community capacity to implement policies and financing to operate and maintain is key to sustainability.



(b) Pilot and scale up innovative climate-resilient and low emission water, sanitation and hygiene technologies service delivery approaches, and capacity building to sustain those services in climate vulnerable areas to improve access. Access to WASH services and local climate challenged conditions are identified in the NZCRC risk assessment. This determines the menu of innovative CR technologies and approaches for water conservation such as water storage (on-site, ponds, wetlands) and conservation devices; water reuse and resource recovery in water scarce areas; water treatment and water safety planning for access to clean water and risk reduction; renewable energy applied to WASH technologies; climate proof sanitation facilities (e.g. dry toilets, resilient septic tanks) that eliminate open defecation and provide a safe environment for children and women; and improvements in hygiene (including hand hygiene and menstrual hygiene).

(c) Develop and demonstrate WASH for disaster management. High-risk areas for climate related disasters lack community level CR WASH emergency services and infrastructure. These would include emergency WASH facilities, procedures, guidelines, and specific strategies for WASH infrastructure at key locations including schools, hospitals, and key evacuation areas in the event of a disaster[35]. This may include sanitation facilities at elevation (2nd floor); emergency water supply; treatment technologies designed specifically for 3 days of critical need; back-up medical supplies; and programming for coordination, monitoring, and response.

(d) Expand climate resilient WASH social and behavior change and capacity building communication (SBCC). Climate change exacerbates vulnerable populations where open defecation, general sanitation, personal hygiene, and water quality all remain vectors of disease, and need institutional investments to change behavior. WASH SBCC is best done through the community led efforts for communication and capacity building – at centers, schools, and gathering areas – with demonstrations, social media, and peer-to-peer communication.

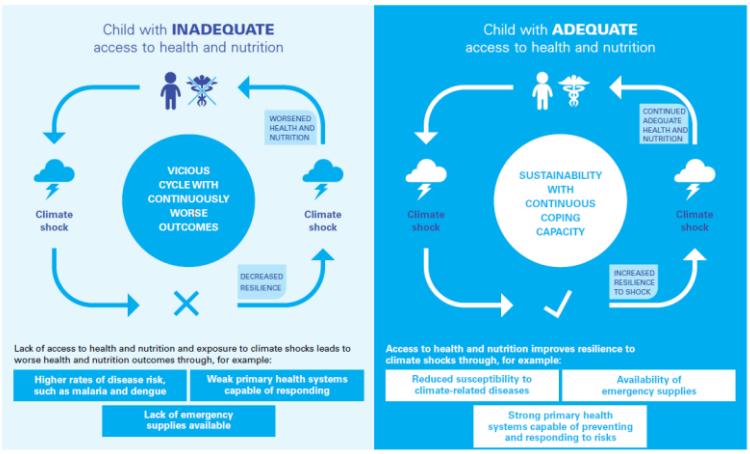
22. Output 3: Reinforce systems, provide climate-smart solutions, and the capacity to sustain those solutions to strengthen health, and nutrition resilience to CC. Output 3 provides Net-Zero and CR solutions to community health and nutrition, addressing barriers 'Infrastructure and Technical', and 'Socio-economic and Financial'. Below are CR sub-activities that support the output.

(a) Scale up CR health infrastructure including cold chain systems and health care capacities in underserved areas; address child health issues exacerbated by CC; ensure adequate WASH in health facilities; and provide capacity building to sustain the services and health infrastructure. Access is improved for preventive and curative health services under stress from extreme climate events, vector-borne and water-borne diseases, and malnutrition, includes investing in climate adaptative health services. It includes expansion of climate resilient health infrastructure and ensuring that existing health infrastructure is made climate resilient by climate proofing, waste management including recycling, roof-top solarization, and CR WASH services in health facilities. The Program also sustains nutritional security by strengthening nutrition monitoring systems and capacity building of nutrition sector partners on climate risk-informed planning, risk-reduction, preparedness, and response.

[34] UNICEF and the Global Water Partnership (GWP) developed a sector wide Strategic Framework for WASH climate resilient development

[35] An example is most schools, where people typically gather during floods, have toilets only on the first floor, which is usually flooded from river, sea, or rising ground water table.

(b) Identify and address child health and nutrition issues exacerbated by CC. Improving access to health services could include identifying the changing health threats children face due to climate and environmental factors and prioritizing health responses accordingly. For example, investing in quality maternal and newborn care services, sustaining immunization programs, and supporting preventive, promotive, and curative services for air pollution-related diseases resulting from increased GHG emissions, vector-borne and water-borne diseases, and other child health conditions. Improve air quality through policy actions and projects that mitigate air pollution induced by climate-driven changes to meteorological conditions (AR6). To ensure the continuity of critical health services in times of climate crisis, the program will promote developing integrated business continuity planning and management, and require strengthening the capacity of health systems to deliver integrated services for children, adolescents, and youth.



(c) Build capacity of health and nutrition workforce on CC. Adaptive capacity is the capability of individuals, communities and institutions such as health systems to adjust to climate hazards, or prepare for, respond to and cope with the consequences of climate variability and climate-related health risks. Information about climate change impacts on health systems and human health is needed to build or increase adaptive capacity for supporting action plans to strengthen health adaptation strategies[36]. Prioritization of the adaptation options will be based on the information from community vulnerability assessments, and implemented through iterative decision-making that considers differences and inequalities at the community level and builds equity into health actions to promote vulnerability reduction.

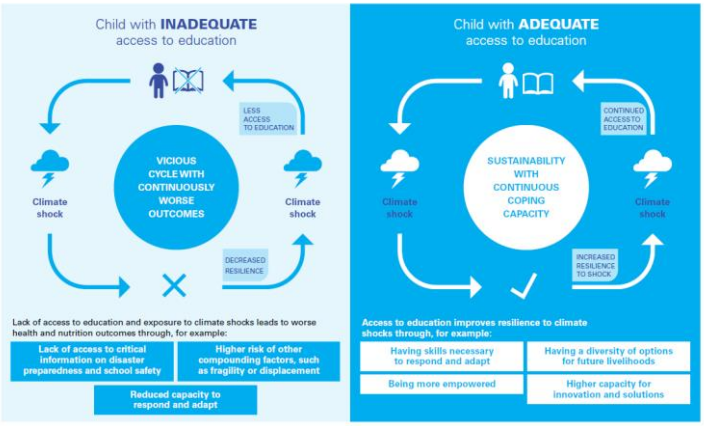
(d) Strengthen institutional policies and monitoring systems for child health and nutrition. This activity will strengthen nutrition monitoring systems and nutrition sector capacity at the national, provincial, and community levels. New data and capacity (training) to interpret the data will assist with CR, risk informed emergency preparedness planning for vulnerable groups. Child health include monitoring indoor air pollution which affects children most. Having the data helps raise awareness among health workers and population in areas with indoor air pollution.

(e) SBCC for healthy and nutritious environments for healthy children. Empowering communities' actions to prevent climate-sensitive diseases and promote health is a crucial success factor in managing current and emerging climate risks. Baseline data is important for community decision making and equally important is distributing of the data with an understandable message. This activity will develop the social messaging and provide the capacity development to deliver the desired behavioral change. For instance, Nutrition induced stunting is widespread in some areas and preventable with nutrition policies and awareness, delivered at the community level. Education avenues for SBCC are in Output 4 below.

23. Output 4: Climate-smart education framework in the national curriculum, including climate change, digitalization, and green skills and habits. Nearly 25% of Viet Nam's population is under 14, and they are the most likely generation to have the full-on, climate change impacts. Getting children to understand climate change issues, actions, and be part of the solutions will result in further mitigation and adaption gains. Output 4 address barrier 'Environment and Social' and the sub-activities are below.

[36] World Health Organization (WHO) *Operational framework for building climate resilient health systems, 2015*

(a) School-based innovations - including CR WASH, waste management, and nutrition, for climate-smart education system. School investments, especially in satellite schools, that improve educational outcomes reduce long-term disruption to children's learning process to increase equity in education access (footnote 29). School facilities can be constructed using green building techniques and indigenous materials to increase resilience and reduce GHG emissions through a circular economy.[37] The investment includes on-site renewable energy and on-site WASH, especially for health and hygiene for girls and women on menstrual health and hygiene and hand-washing as a primary protection against COVID-19 and waterborne diseases and protection from floods and droughts. Children who lack electricity cannot access digital learning, which has negative educational impacts. Off-grid decentralized renewable power can address this challenge for many vulnerable communities. In 2021-2022, UNICEF engaged with the Global Green Growth Initiative (GGGI) to carry out a market assessment to explore investment options in rooftop solar systems for schools, where UNICEF is laying the foundation for scaling up clean energy for schools as part of a sustainable, comprehensive, national smart school model.



(b) Risk-informed programming, adaptation, and mitigation of climate change impacts. Investment in climate-smart education has a tremendous multiplier effect. Improved education builds knowledge and skills and contributes to improved sustainability practices, increased capacity, and reduced GHG emissions at the individual, institutional and communal levels. Improving educational outcomes includes resilient infrastructure to disasters to reduce long-term disruption to children's learning process and solutions that increase access, such as digital learning and equity. Improving educational outcomes also means ensuring quality learning by mainstreaming the latest knowledge and science on climate change into national curricula and ensuring that children gain those skills. These are relevant skills for the growing green economy and livelihoods, less susceptible to the impacts of a changing climate. Skills-based learning is essential to empower children, young people, and teachers to participate in climate-resilience activities in schools, encouraging and giving a voice to children to become part of the solution to climate change.

(c) Climate-smart digital and print content integrated into the national curriculum and implemented at classroom-level. National curriculum may include (i) advancing cross-cutting solutions; (ii) increasing knowledge and scaling up the school (and health facility) renewable energy and green building techniques to family homes, community centers & other public places; (iii) reducing single-use plastic; (iv) reducing the impact of air pollution; (v) increase capacity through knowledge development ;and (vi) promote community initiatives- reuse/rrecycle, protection environments.

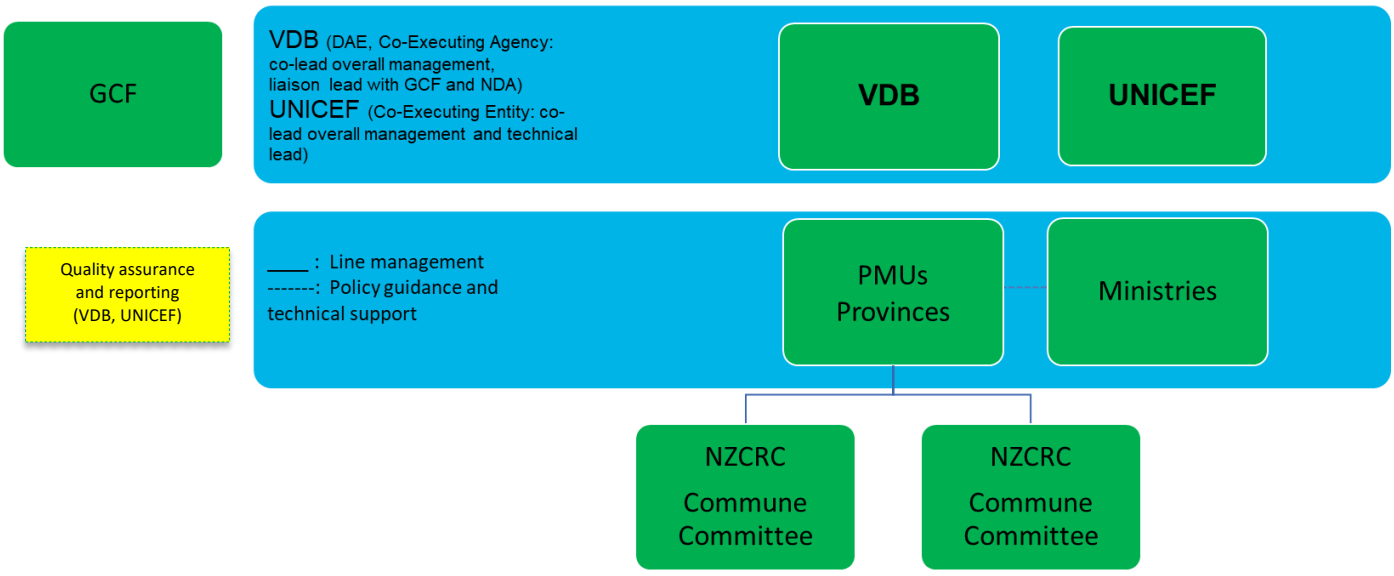
(d) Child- and adolescent-led initiatives through social innovation for climate action. Meaningful participation of children and young people can be promoted through enabling platforms that make them agents of change in school, families and communities, including but not limited to spreading school-based social behavior change messages.

24. As The NZCRC builds on Viet Nam Development Bank's (VDB's), a GCF Direct Access Entity (DAE)[38], strong sector support across all areas . VDB's strategic orientation includes (i) support socio-economic development, (ii) optimize the social resources for the economy, (iii) enhance its institutional capacity; and (iv) strengthen the risk management system.[39] UNICEF is a GCF's Delivery Partner and Co-Executing Entity for the Program and will work closely with VDB and all the Viet Nam stakeholders, including line Ministries and local governments. The governance structure of the NZCRC is in line with the VDB's and UNICEF's respective mandates.

In its DAE role, the VDB will provide program oversight, managing critical tasks including (i) entering into a contractual agreement with UNICEF as the Co-EE; (ii) managing and disbursing the GCF funds to the Co-EEs (VDB and UNICEF); and (iii) Reviewing and reporting to the GCF and other development partners, as required. The Co-EEs jointly oversee all the tasks and activities of the four outputs within the program management structure to achieve the outcomes. The Co-EEs will set up and staff a Program Management Unit (PMU) to manage and implement the NZCRC. The Central PMU will oversee the activities with UNICEF primarily focusing on the policy and guidance at the national and provincial level and VDB assisting UNICEF with those tasks and managing community level CR social and physical infrastructure. The adjacent figure shows the proposed program management organization. The PMU will screen proposed activities

[37] https://www.unicef.org/cotedivoire/en/stories/hands-build-recycled-plastic-bricks-classrooms#:~:text=In%20C%C3%B4te%20d%27Ivoire%2C%20UNICEF,and%20allow%20to%20build%20faster
[38] Date of Accreditation: 01 Jul 2021
[39] https://en.vdb.gov.vn/VDB/about-vdb/strategy[39] At COP26 (2021) Prime Minister Pham Minh Chinh announced the country's commitment to achieve net-zero carbon emissions by 2050

using the CCRI critical indicator, program outputs/outcomes, and aligned with Government stakeholders policies and priorities.



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B.3. Expected project results aligned with the GCF investment criteria (max. 3 pages)

25. NZCRC's focus is Net-Zero CR social infrastructure and services, prioritizing the needs of vulnerable people, especially children, youth, women, and people with disabilities, that CC disproportionally impacts. GCF laid the foundation for this new asset class with the new Health and Well-Being Sector Guide in GCF's Health and Well-being, and Food and Water Security Result Area**.** The NZCRC brings CR results from traditional WASH, renewable energy generation, and access sectors and adds education and social protection to GCF's health and well-being sector of climate finance. NZCRC's Net-Zero and CR outputs are cross-cutting, delivering whole community solutions, with approximately 70% adaptation through CR social infrastructures and 30% mitigation through renewable energy, climate resilient water and sanitation; and the four outputs align with the GCF four drivers of change (TOC Annex 1) and with the GCF Health and Well-Being and the Water Security Sectoral Guide (see Table 1): (i) transformational policy, planning, and programming with strengthening CR adaptive policy planning and institutional capacity; (ii) catalyzing climate innovation by mainstreaming Net-Zero and CR technologies and social mobilization and behavior change; (iii) mobilizing finance at scale to deliver Net-Zero and CR community social infrastructure and services as a new asset class; and, (iv) coalition and knowledge to scale-up success improving community level CC knowledge, awareness, data, and solution and up-scaling nationally using innovative social media and children as agents of change tools.

IMPACT:

26. Climate impact indicators will be further revised during the project preparation of the funding proposal, with an impact model and projections being developed based on pipeline development and assumptions. At the concept stage, estimates are provided for an investment targeting 70% climate adaptation and 30% climate mitigation in Net-Zero and CR social infrastructure and services, in 5 to 10 provinces, over the 25 years lifespan of the activities financed by the NZCRC. The following selection criteria will be considered for identifying provinces in Vietnam for NZCRC initiatives: 1) vulnerability to climate change impacts such as sea-level rise, extreme weather events, flooding, or drought; 2) a significant population of children and communities most vulnerable to climate change; 3) absence of substantial climate change adaptation and mitigation supported programmes but with a commitment to address climate change challenges; 4) geographic diversity, encompassing provinces from the Northern, Central, and Southern regions to gain a comprehensive understanding of climate change impacts nationwide. These will be further refined while preparing the funding proposal.

Although the project focuses on adaptation, we use Net-Zero in all the planning since this is a goal of the Vietnam Government.[40] Each activity or project will be rated for their climate adaptation and climate mitigation benefits prior to project approval to establish the baseline, and then within two years of completion to capture the actual adaptation and mitigation benefits against the consequences of climate change for the project beneficiaries, especially the children, youth, women, people with disabilities and their associated communities. The methodology to assess the climate benefits will be based on the GCF investment framework' six investment criteria and associated sub-criteria for initial screening. Besides climate adaptation and mitigation impact potential, the NZCRC will track the improvement of the CCRI (see footnote 28) as a critical monitoring indicator and a composite index associating child vulnerability with

[40] Mitigation targets (30% of the project) are to quantified in each output in the Funding Proposal

climate and environment (compounded by climate change) shocks. Currently, the CCRI is monitored nationally and part NZCRC is to apply CCRI at the community level nationwide.

27. The NZCRC investment strategy is to:

(a) Upgrade and climate-proof social infrastructure, such as schools, health care facilities, WASH, and CR community infrastructure, mostly from storms, flood, droughts, and heat temperature climate hazards and their impacts to increase the climate resilience of about 25 million people, including 50% of children, women, and people with disabilities subject to the disproportionate effects from climate change. The NZCRC improves climate resilience and enhances livelihood by targeting social infrastructures and services to the threats of climate change.

(b) Finance Net-Zero community development via (i) renewable energy investments – mainly solar; (ii) demand-side management for water and energy; (iii) social awareness and behavior change supporting Net-Zero activities; and (iv) improving the efficiency of social service delivery by strengthening institutional resilience for long-term sustainability. Although Viet Nam's GHG emissions are up 5-fold in 20 years, the per capita GHG emission is relatively low, yet Viet Nam is expected to experience some of the most detrimental climate impacts. Based on the current CO_2 emissions, 282 million tons in 2019, it is expected that the NZCRC will reduce CO_2 equivalent emissions by over 1 million metric tons per year (to be confirmed in the funding proposal).

PARADIGM SHIFT:

28. The NZCRC is generating a paradigm shift at key intervention points that bring lasting change:

(a) By integrating Net-Zero CR social infrastructure and services as a new asset class and building equity. The NZCRC demonstrates that scaling up Net-Zero and CR social infrastructure and services delivers climate benefits to the most vulnerable population, especially children, girls, youth, women, people with disabilities and their families and associated communities, who disproportionally suffer from climate change impact in line with the SSPs introduced in the AR6. The SSPs promote a paradigm shift by governments and communities along with more sustainable practices promoting social services and health, wellbeing, and education in particular over economic growth.

(b) UNICEF's CCRI provides a road map for Net-Zero and CR social services and climate-resilient social infrastructure development using the CCRI, transformational investments that strengthen and enhance climate change focused education, health care, child protection, nutrition, and WASH have clear goals and monitoring that maximizes climate benefits, gives a path for scaling-up and is consistent with Vietnam's Net-Zero by 2050 policy. The localization and the requirement to reduce the CCRI for each investment activity by reducing child vulnerability by increasing CR, mitigating climate, and reducing climate induced environmental shocks compel direct actions on three of the four GCF drivers of change: (i) transformational planning and programming to mainstream institutional resilience; (ii) catalyzing climate innovation for climate-smart systems, social mobilization with peer-to-peer platforms; and circular economy models in social infrastructures and services; and (iii) coalition and knowledge to scale-up success to disseminate climate change knowledge and innovation through the education system, community, and social media; transferring knowledge and technical skills in order to the community and to local private partners; and improve community knowledge and skills on green behavior.

(c) NZCRC adopts a two-pronged approach with climate policy and regulatory activities at the central level while focusing on a community-wide approach to providing durable Net-Zero CR social infrastructure and services, across sectors, that will have positive outcomes on the climate, emergency preparedness, people's health, people's livelihood/well-being, and social protection – especially for children. The community investment shifts the paradigm from disaster reaction to long-term risk reduction, preparedness and resilience building. Thus, NZCRC helps to build the enabling regulatory framework, policies and financing at the central level and also the community environment that will foster the replication and scale up of the climate resilient development that are consistent with Vietnam's climate change adaptation and mitigation strategies.

SUSTAINABLE DEVELOPMENT

29. The NZCRC targets climate change adaptation and mitigation actions that are priorities for the GCF. The NZCRC is an enabler for Net-Zero CR socio-economic development, and the promotion of child-sensitive policy and planning, design and development, poverty reduction, and more gender and people with-disabilities-inclusive communities through the provision of Net-Zero and CR social infrastructure and services contributing to building institutional resilience and equity.

30. The NZCRC will deliver numerous co-benefits by (i) reducing the CCRI - Table 1 highlights the climate benefits and co-benefits corresponding to SDG13 (Climate Action) and GCF Sector Guides. Co-benefits also result from supporting IPCC SSPs and UN-SDGs by monitoring (i) beneficiaries from improved education, social protection and health services and nutrition, SDG3 (Good Health & Well Being), SDG4 (Quality Education), SDG5 (Gender Equality), SDG6 (Clean Water & Sanitation), and SDG7 (Affordable & Clean Energy); (ii) beneficiaries with improved climate resilience SDG1 (No Poverty), SDG2 (Zero Hunger), SDG5 (Gender Equality), SDG9 (Industry, Innovation & Infrastructures), and SDG13 (Climate Action); (iii) Communities development and project design using cash transfer and cash for work SDG1 (No Poverty), SDG5 (Gender Equality), SDG8 (Decent Work & Economic Growth), and SDG11 (Sustainable Cities & Communities); (iv) institutions and communities with increased institutional resilience and equity SDG11 (Sustainable Cities & Communities) and SDG16 (Peace Justice and Strong Institutions); and (v) Responsive populations to demand-

side management measures and strengthened environmental sustainability SDG12 (Responsible Consumption & Production).

31. Additional socio-economic co-benefits will be derived from the improved community well-being and ability to mitigate risks (and adapt) to sustainable development, equity, and socio-economic growth due to natural disasters and climate change impacts. NZCRC activities will deliver environmental and social co-benefits to children, women, people with disabilities, and their associated families and communities. The Funding Proposal will include a gender assessment and a gender action plan.

NEEDS OF RECIPIENTS

32. Climate risks summarized in paragraph 4, the conclusions from the *Working Group I - The Physical Science Basis*, IPCC, confirm in the AR6 the extreme climate vulnerability of Viet Nam. Paragraph 6, from the World Bank and ADB, further describes specific climate risks faced by Viet Nam. The CCRI, as a composite index of child vulnerability and climate and environmental (compounded by climate change) shocks, further demonstrates the climate impacts on Viet Nam's vulnerable populations.

33. Mainstreaming institutional resilience and building equity as part of the GCF driver of change on transformational planning and programming will help strengthen the institutions at the central and local levels. The two-pronged approach is geared to strengthen national institutions and policy while focusing on developing community knowledge, capacity, and community-led Net-Zero CR activities.

COUNTRY OWNERSHIP

34. Paragraphs 12, 13, and 14 highlight Viet Nam's response and policies directed at the climate crises summarized in the prior section. The NZCRC strengthens the national climate policies and strategies. Mainstreaming the CCRI as a climate indicator identifies vulnerable groups disproportionally affected by climate change impacts can focus investments to increase their climate resilience.

35. The VDB, as DAE, is teaming up with UNICEF, as Co-EE, to implement the NZCRC. UNICEF is a GCF Delivery Partner with a strong Viet Nam presence through its country office, in Hanoi. UNICEF developed and updated the CCRI at the national level and is starting a localization of the CCRI in-country over the next few years. UNICEF Viet Nam's Country Program of Cooperation 2022-2026 between UNICEF and the Government of Viet Nam, including the 'Child Survival, Development and Environment (CSDE) Program, defines support to Viet Nam's vulnerable children and directly contributes to the 2022-2026 United Nations Sustainable Development Cooperation Framework (UNSDCF) Outcome 1 - Inclusive Social Development and outcome 2 - Climate Change, Disaster Resilience & Environmental Sustainability. The outcome is guided by towards Viet Nam's 2030 National Strategy on natural disaster Prevention and Control to achieve SDGs 1, 2, 3, 6, 11 and 17 and Sendai Framework's priorities for DRR by 2030. It also contributes to national frameworks including the National Health Sector Plan, the Health Sector's Action Plan on Climate Change in the period of 2019-2030 with vision to 2050, the National Nutrition Strategy, and the National Strategy in Rural Water Supply and Sanitation by 2030 with vision to 2045. In addition, it contributes to Goal 1 and 4 of the UNICEF Strategic Plan 2022-2025[41], UNICEF Health Strategy 2016-30, UNICEF Nutrition Strategy 2020-2030, UNICEF Core Commitments for Children in Humanitarian Action 2020.

36. UNICEF Viet Nam's key government counterparts are: selected Provincial People's Committees (PPCs), MPI, MONRE, MOH, MARD,MOLISA, MOET, MOF, the Ministry of Construction (MOC), the Ministry of Information and Communications (MOIC), the National Assembly (NA); relevant Mass Organizations such as the Women's Union, and the private sector. (project upscaling beyond the target 3 provinces will be by the public sector via the policy development mandates and a responsive private sector[42] to those mandates).

EFFICIENCY AND EFFECTIVENESS

37. NZCRC coordination and integration with current and future government programs will be outlined in the funding proposal. Co-benefits described in the sustainable development investment criteria will be included in the cost-benefit economic analysis to be completed as part of the funding proposal.

38. The NZCRC proposed investment of $50 million corresponds to about 10% of the total net 516,070,007 ODA Viet Nam received in 2021 (WB, 2023). The adaptation benefits show a financial ratio of about $7 per person with increased resilience, well below climate finance standards. The mitigation benefits translate to an estimated $15 per metric ton of carbon dioxide equivalent emission reduction. These are preliminary estimates to be updated in the funding proposal.

[41] UNICEF SP 2022-2025, Draft narratives
[42] A good example of the of how Vietnam policy changes can mobilize the private sector is the recent water sector policy to allow equitization of water utilities, resulting in private sector investment (over 50% equitized) and private sector efficiencies such as lowering the non-revenue water, increasing overall water services, and wage growth.

39. The PMU will provide technical assistance to project implementation since Net-Zero CR social infrastructure and services activities target children and some of the most vulnerable populations. Many of the target beneficiaries have access, infrastructure, services issues, often resulting from frequent and intense extreme climate events. Communities lack capacity to develop and implement climate resilient projects, and the technical assistance will provide the capacity and also provide training and resources for the community to implement the projects. All contracts will be awarded following procurement procedures according to Viet Nam's bidding law to ensure consistency with the principles of economy; efficiency, fairness; transparency; quality; and value for money.

B.4. Engagement among the NDA, AE, and other relevant stakeholders in the country (max ½ page)

40. The VDB engaged with the NDA, MPI, which support the proposed Concept Note. MPI is committed to include and prioritize the NZCRC in their work program with the GCF for a tentative approval in 2024 Q4. VDB agreed to work closely with UNICEF during the project preparation to jointly further develop the project specific pipeline. VDB intends to engage a firm to help prepare the project; and intends for UNICEF to help manage and guide the firm and the project preparation.

41. MPI is committed to include and prioritize NZCRC in their GCF work program. Key comments include: : (i) the need to develop a comprehensive, integrated stakeholder management and engagement plan during project preparation that integrates the outputs across ministries, provinces and communities; (ii) inclusion of child-centered solutions in each aspect and output during project preparation; (iii) several Ministries will supply counterpart staff to help oversee project preparation; (iv) Net-Zero, a 2050 Government goal, is a theme of the project and is more than just mitigation, it a concept to be upscaled through demonstration, education, social media, and policy; and (v) VDB and UNICEF coordination with other ongoing climate, health, education and environment related projects is essential.

C. Indicative Financing/Cost Information (max. 3 pages)

C.1. Financing by components (max ½ page)

Output	Indicative cost (USD)	GCF financing		Co-financing		
		Amount (USD)[43]	Financial Instrument	Amount (USD)	Financial Instrument	Name of Institutions
Output 1. Net-Zero child-centred cross-sectoral climate actions		$14,000,000	Grant			
Output 2. Net-Zero climate resilient WASH		$11,000,000	Grant			
Output 3. Net-Zero climate resilient health and nutrition		$14,000,000	Grant			
Output 4. Net-Zero climate resilient education		$11,000,000	Grant			
Indicative total cost (USD)	$50,000,000	$50,000,000 (Grant)				

C.2. Justification of GCF funding request (max. 1 page)

42. The NZCRC targets one of the most climate vulnerable countries, Viet Nam, and targets Viet Nam's most vulnerable populations, Areas ones that endured recent climate enhanced events of flooding, drought, and extreme temperatures. Viet Nam has climate policies in place however sizeable gaps require building institutional resilience and adaptative planning; and needs to increase the climate resilience of the vulnerable children, families and communities; and to build CR social infrastructure and services. The VDB proposed the NZCRC, as a proof of concept, based on UNICEF's CCRI. The NZCRC intends to mainstream institutional resilience and build equity through Net-Zero and CR social infrastructure and services to benefit children, and their associated communities, especially the most vulnerable population groups groups (low income provinces, rural areas, ethnic minority, climate-challenged poor environments), who endure disproportionally climate change impacts. Building social protection and education and mainstreaming into a climate-related program design fits with GCF's new health and well-being sectoral guide and GCF's water security sectoral guide.

43. Considering the innovative nature of the NZCRC, the program is presented to the GCF for core funding to maximize the climate innovation and the climate benefits over the development impacts, managed by the NZCRC as co-benefits. The NZCRC proposes to grant financing of $50 million to deliver the Net-Zero CR social infrastructure and services at scale to climate vulnerable populations. The project is fully aligned with the Government of Viet Nam strategies.

44. GCF involvement is critical by reason of (i) Viet Nam is one of the most climate impacted countries, and those impacted most have the least tools to adapt; (ii) an increased investment in Net-Zero CR social infrastructure and services catalyzes sustainable, safe and green community development with circular economy models along SSPs; (iii) building CR equity for the community and especially for children at risk; and (iv) providing communities adaptation and mitigation social infrastructure leads to climate – co-benefits.

[43] Outputs and sub-task budgets, including amount of technical assistance in each, will be delineated in the Funding Proposal

C.3. Sustainability and replicability of the project (exit strategy) (max. 1 page)

45. The NZCRC is promoting institutional resilience to ensure the long-term sustainability of climate investments. The NZCRC includes a climate rating based on the CCRI of the proposed project at approval after the design to maximize climate innovation and benefits and, after completion, to report actual climate benefits against the design and the baseline. The climate rating can also be financed under the technical assistance program. The PMU will monitor, evaluate, verify, and report to the GCF through the VDB as DAE and UNICEF as Co-EE, following the GCF Annual Performance Report format.

46. A central theme is to demonstrate and upscale effective and sustainable approaches, as well as to produce the impacts described in the theory of change. NZCRC will include a rigorous evaluation covering the overall approach and its constituent projects/activities. The flow of funds for the NZCRC follows the organization chart presented in paragraph 25.

D. Supporting documents submitted (OPTIONAL)

- ☐ Map indicating the location of the project/programme
- ☒ Diagram of the theory of change
- ☐ Economic and financial model with key assumptions and potential stressed scenarios
- ☐ Pre-feasibility study
- ☐ Evaluation report of previous project
- ☐ Results of environmental and social risk screening

Self-awareness check boxes

Are you aware that the full Funding Proposal and Annexes will require these documents? Yes ☒ No ☐

- Feasibility Study
- Environmental and social impact assessment or environmental and social management framework
- Stakeholder consultations at national and project level implementation including with indigenous people if relevant
- Gender assessment and action plan
- Operations and maintenance plan, if relevant
- Loan or grant operation manual as appropriate
- Co-financing commitment letters

Are you aware that a funding proposal from an accredited entity without a signed AMA will be reviewed but not sent to the Board for consideration? Yes ☒ No ☐

Annex 1 - TOC: NZCRC Theory Of Change

GOAL STATEMENT

IF Vietnam invests in child-centered, net-zero climate solutions; **THEN** Children, including girls and young women (27 million), will live in Net-Zero communities with improved child-sensitive and climate resilient (CR) policies, regulations and services; **BECAUSE** an increased investment in Net-Zero CR social infrastructure catalyzes sustainable green community development with circular economy models along Shared Scio-Economic Pathways (SSPs), building CR equity for the community and especially for children at risk.

OUT-COMES

TRANSFORMATIONAL POLICY, PLANNING & PROGRAMMING
- Climate laws, policies, investments, and financing across sectors and in vulnerable provinces have improved focus on children for Net-Zero community initiatives and are gender-sensitive
- Strengthen data on climate and environmental risks and vulnerabilities in children and communities
- Increase institutional and community capacity to mitigate and adapt to CC
- Strengthen planning for Net-Zero communities

CATALYZING CLIMATE INNOVATION
- Promote and mainstream community innovative technologies and infrastructure for Net-Zero social services: WASH, Education, Health & Nutrition, social and child protection
- Innovative online platforms for green behavior change and social mobilization

MOBILIZING FINANCE AT SCALE
- Climate financing for Net-Zero communities: schools, health centers, WASH, and other community settings
- Climate-smart K-12 education framework implemented
- Net-Zero community initiatives upscaled through policy frameworks and demonstrations (especially Net-Zero sectors - education, health, WASH, child and social protection)
- Cash transfer system for vulnerable groups, reducing disaster risk, established

COALITION & KNOWLEDGE TO SCALE UP SUCCESS
- Private and financial sector engagement for upscaling Net-Zero community solutions
- Improve knowledge and skills of the community on green behaviors
- Improve knowledge and data available for upscaling Net-Zero community initiatives for children

OUTPUTS

2. **Net-Zero WASH facilitates inclusive and gender-responsive CR WASH**
- Develop CR WASH policies and strengthen capacity for sustainable delivery management
- Pilot and scale up innovative climate-resilient water and sanitation technologies including renewable energy and energy efficiency in vulnerable areas to improve WASH safely managed access
- Develop and demonstrate WASH disaster risk reduction strategies for vulnerable areas
- Expand WASH social and behavior change communication (SBCC) and strengthen supply side

3. **Net-Zero Health and Nutrition reinforces systems and provides climate-smart solutions to strengthen health and nutrition resilience to Climate Change**
- Scale up CR health infrastructure including solarization, WASH, waste management, & cold chain systems in underserved areas
- Identify and address child health and nutrition issues exacerbated by CC
- Build capacity of health and nutrition workforce on CC
- Strengthen institutional policies and monitoring systems for child health and nutrition
- SBCC for healthy and nutritious environments for healthy children

4. Net-Zero Education enhances climate-smart education including in the national curriculum, climate change, digitalization and green skills and habits
- School-based innovations - including renewable energy, CR WASH, waste management, and nutrition, for the climate-smart education system
- Risk-informed programming, adaptation, and mitigation of climate change impacts
- Climate-smart digital and print content integrated into the national curriculum and implemented at classroom-level

1. **Net-Zero child-centred policy and action strengthens child-centred & gender-sensitive climate policy and action, disaster risk reduction, and environmental protection**
- Review/update laws, policies, standards, guidelines investments, and financing to have a focus on children for Net-Zero community initiatives and are gender-responsive
- Green behavior change communication & social mobilization, engaging children and young people as agents of change for Net-Zero, CR communities
- Strengthen data, monitoring, and climate smart community planning for Net-Zero and CR communities
- Climate-responsive social protection & social policy
- Climate resilient child protection services

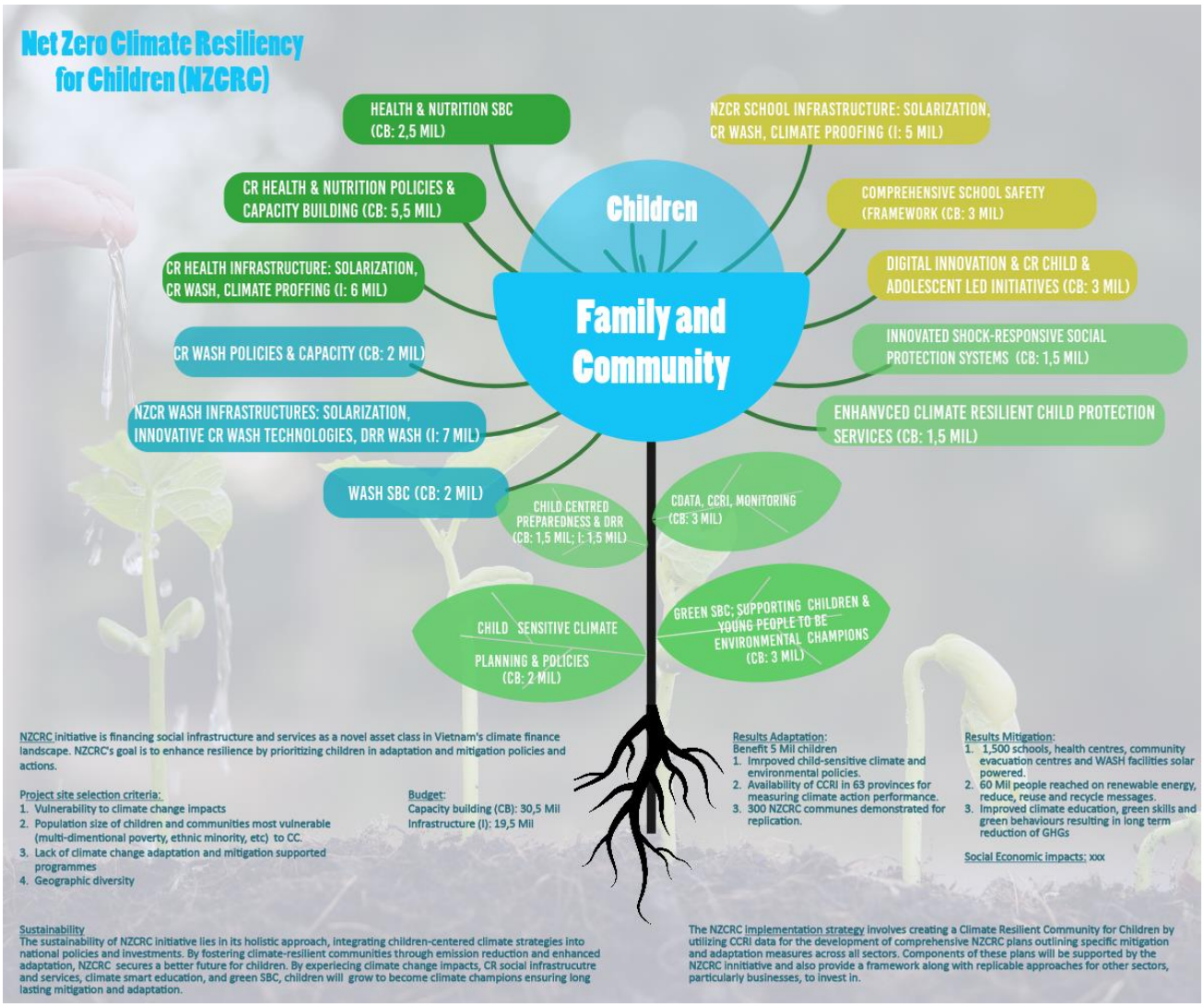
BARRIERS

Institutional & Regulatory | Environmental & Social | Infrastructure & Technical | Economic & Financial

ASSUMPTIONS

Vietnam is the 13th most affected country by CC. Only 25 to 40% of the most CC vulnerable have access to safe water. Children are at higher risk from water-borne diseases, which can increase due to CC induced excessive rains, flooding and temperature increase. Children nutrition, health, education, social protection, and general wellbeing are being negatively impacted from CC. Governance structures enable implementation. Manmade or natural disasters do not affect implementation. Communities adapt CC behaviors.

Annex 2 - NZCRC: Overview of Net-Zero Climate Resilience for Children Project



Annex 3: Attached CCRI Document:

https://www.unicef.org/reports/climate-crisis-child-rights-crisis