



STRENGTHENING THE MACROECONOMIC FRAMEWORK FOR FOREST AND BIODIVERSITY FINANCE IN VIET NAM

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Service: Sustainable Financing

Viet Nam is one of the world's biodiversity hotspots, home to rich forest ecosystems that provide essential services such as carbon storage, watershed protection, and livelihoods for millions of people. Yet despite their immense economic and ecological value, financing for forests and biodiversity in Viet Nam remains insufficient. According to BIOFIN, biodiversity expenditure represents only 0.58% of the national budget, with the majority of funding coming from public sources. These allocations are not only too small but also inefficient, as they are not targeted to conservation outcomes.

The country faces a dual challenge: biodiversity loss is accelerating, while public spending on conservation shows a downward trend. Private sector contributions, meanwhile, remain minimal and largely unchanged. Existing financing mechanisms are often constrained by bureaucracy, lengthy procedures, and competing development priorities. As a result, Viet Nam's macroeconomic and political framework does not yet incentivize or enable the flow of financial resources into the forest and biodiversity (FoBi) sector.

Against this backdrop, Symmetry has been commissioned by GIZ to lead an assignment to identify options to improve Viet Nam's macroeconomic framework for biodiversity finance. Specifically, Symmetry will:

- Analyse the key factors that enable or hinder FoBi finance.
- Assess the macro-economic and political trends which will impact FoBi financing.
- Review national and international initiatives and provide examples of innovative practices.
- Recommend actionable pathways for government institutions, financial actors, and the German–Vietnamese cooperation to mobilize additional resources.

The ultimate aim is to support Viet Nam in creating an enabling environment where public and private finance can be scaled up for nature. By addressing structural barriers and introducing innovative financing approaches, this work will contribute to protecting biodiversity, advancing green growth, and building a resilient, sustainable economy.