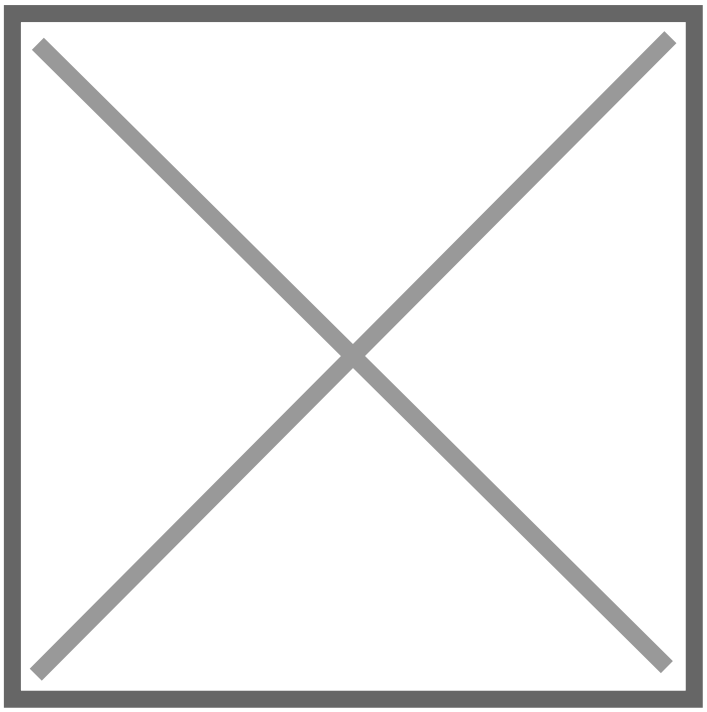
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Hue City launches $10 Mn climate resilience initiative backed by Green Climate Fund

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Five-year project will strengthen climate adaptation, restore vulnerable ecosystems and develop resilient agricultural value chains through innovative financing and nature-based solutions



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Hue City has launched an ambitious $10 million climate adaptation and resilience programme, marking a significant step in Vietnamâ??s efforts to strengthen climate preparedness and safeguard vulnerable agricultural and environmental systems against escalating climate risks.

The initiative, formally known as the VIE/301 Climate Adaptation and Resilience Finance Project, is being funded by the Green Climate Fund (GCF) and the Government of Luxembourg, with implementation support from the Luxembourg Development Cooperation Agency (LuxDev). Scheduled to run from 2025 to 2029, the project seeks to enhance climate resilience through ecosystem restoration, early warning systems and innovative financing mechanisms that support climate-

smart agricultural development.

At a time when climate change is increasingly affecting agricultural productivity, natural ecosystems and rural livelihoods across Southeast Asia, the project positions Hue as a key testing ground for integrated adaptation strategies that combine environmental restoration with economic resilience.

Central to the initiative is the adoption of ecosystem-based adaptation approaches, which move beyond traditional afforestation programmes to include natural forest regeneration, forest enrichment and the restoration of degraded landscapes. The project will prioritise native tree species that are naturally adapted to local climatic conditions and the unique ecological characteristics of coastal sand dune environments.

By focusing on ecosystem restoration alongside climate resilience, project developers aim to strengthen the regionâ??s natural capacity to withstand extreme weather events while improving biodiversity and environmental sustainability.

A major component of the programme will involve the development of climate-resilient agricultural value chains, supported by innovative financial models designed to encourage investment in sustainable farming systems. Businesses, cooperatives and local producers are expected to play a central role in these value chains, helping translate climate adaptation efforts into long-term economic opportunities for rural communities.

Officials involved in the project believe that strengthening market linkages and improving access to climate-focused financing can help agricultural producers better manage climate-related risks while creating more resilient income streams.

The project will also support the enhancement of early warning systems and climate data platforms, enabling more effective monitoring of weather-related threats and improving the capacity of local authorities and communities to respond to climate-induced emergencies.

During recent consultations between the Hue City Peopleâ??s Committee and LuxDev, stakeholders agreed to refine the projectâ??s implementation framework by shifting from a predominantly administrative coordination structure to a more specialised technical coordination mechanism. The adjustment is intended to improve implementation efficiency and ensure stronger alignment between project activities and technical requirements.

Informed by baseline assessments conducted during the projectâ??s planning phase, additional considerations have been incorporated into the implementation strategy, including local climate risk profiles, institutional conditions and community-specific vulnerabilities.

Project planners have also emphasised the importance of maintaining rigorous environmental and social safeguards throughout implementation. Gender inclusion, stakeholder participation and grievance redress mechanisms will form key components of the projectâ??s governance framework, reflecting international standards increasingly associated with climate finance initiatives.

Subject to final approval by the Green Climate Fund, the first year of implementation is expected to prioritise the establishment of early warning infrastructure, data management platforms and pilot adaptation models that can be replicated across other climate-vulnerable regions.

Local authorities have reiterated their commitment to supporting the programme, emphasising close collaboration with development partners to ensure activities remain aligned with local realities and deliver measurable outcomes on schedule.

The launch of the VIE/301 project comes as Vietnam continues to intensify efforts to address climate vulnerabilities affecting agriculture, water resources and coastal ecosystems. Hue, which faces recurring threats from storms, flooding and environmental degradation, is widely viewed as one of the regions where successful climate adaptation interventions could generate significant long-term benefits.

By combining nature-based solutions, climate-resilient agriculture, financial innovation and institutional strengthening, the initiative aims not only to reduce vulnerability but also to create a more sustainable development pathway for local communities.

As climate adaptation increasingly shifts from policy aspiration to implementation on the ground, the Hue project represents an important example of how international climate finance can be mobilised to support practical, locally driven solutions that strengthen both environmental resilience and rural livelihoods.