

A systemic analysis of the role that climate, natural resource and food systems play in conflict and peace is key to design and implement interventions addressing and preventing conflict. This document is one part of the 2-policy note outputs from the "Charting the path to peace" side events of the CGIAR Climate Security Webinar Series. These notes summarize the key messages emerged during the webinar panel discussion. Recordings of the webinar sessions are available [here](#). The webinar is also available in podcast format from the [UN Global Dispatches Podcast Website](#).

Author: Grazia Pacillo

Panelists and short summary

The session was comprised of a multidisciplinary panel, consisting of representatives of the government, experts from the fields of climate science, policy, humanitarian assistance and international development.

- **Mrs. Cecile Leroy**, Programme Manager, European Delegation in Hanoi, Vietnam (EU)
- **Mr. Hai-Anh Dang**, Senior Economist, Development Data Group, World Bank (WB)
- **Mr. Janto S. Hess**, Climate Change Adaptation Specialist (UNDP)
- **Mr. Nguyen Ngo Huy**, Senior Climate Change Advisor, Oxfam in Vietnam (OXFAM)
- **Mrs. Phuong Vu**, Senior Officer at International Cooperation Department, Ministry of Agriculture and Rural Development, Vietnam (ICD/MARD)

Climate change and variability impacts in Vietnam have been considerably strengthening in the past 20 years and will continue this trend in the future. Most of the climate induced losses are likely to be concentrated in certain sectors, such as agriculture, and on specific population groups – the poorest, vulnerable, and most marginalised who are less able to cope with the climate crisis. Vietnam is among the fastest-growing lower middle-income countries in Southeast Asia (SEA). Its effort in reducing poverty rates has been outstanding in the past decade and as of now about 5.8% of the population lives under the poverty line in Vietnam. Despite these remarkable results, inequality has been steadily increasing, and the divide between richest and poorest has widened even more in rural and remote areas, and in areas mostly populated by minority ethnic groups. Studies have shown that structural inequalities, defined by religion, ethnicity, or other identities, are linked to a much higher risk of tensions and conflicts. Guaranteeing equal access to resources, voice, and participation of the most vulnerable groups, will be fundamental in keeping security in the country.

During this event, the panellists discussed policy options to mitigate the impact of climate variability on inequality of opportunities for the poorest and most marginalised people, ultimately contributing to peace and security in Vietnam.

How concerning are the climate and inequality challenges in Vietnam?

It is estimated that, between 2007 and 2050, economic losses due to climate change will range between 6 and 15 billion US Dollars (2.5% to 6% of the current Vietnam GDP). In the past decades, the average surface temperatures have increased by 1 degree Celsius with the southern provinces of the Central Highlands and Central Coast warming even more. Between the end of 2015 and early 2016, El Nino events caused extensive droughts, especially in the Central Highlands, where severe consequences affecting food security and livelihoods have been observed. Mountainous areas in the northern regions are increasingly experiencing devastating floods and finally, with more than 70% of the Vietnamese population living in coastal areas and low-lying deltas, Vietnam is highly exposed to riverine and coastal flooding, which, not only threatens economic activities, such as rice production, but also directly affects people's livelihoods.

Vietnam is among the fastest-growing lower middle-income countries in SEA. Its effort in reducing poverty rates has been outstanding in the past decade and as of now about 5.8% of the population lives under the poverty line in Vietnam. Despite these remarkable results, inequality has been steadily increasing, and the divide between richest and poorest has widened even more in rural and remote areas, and in areas mostly populated by minority ethnic groups. In numbers, Oxfam estimates that Vietnam's 210 super-rich earn more than enough in one year to lift 3.2 million people out of poverty and end extreme poverty. Economic inequality is reinforced by inequality of voice and opportunity, with the poorest excluded in favour of the rich (Oxfam, 2018).

Does climate variability have a bigger impact on the most vulnerable?

One argument could be as follows: People living in areas with high risk of climate hazards usually correspond to the most disadvantaged populations. Due to existing structural inequalities, they have limited opportunities to cope with climate hazards and often fall into a spiral of further poverty and social exclusion. In the context of an increasingly varying climate, these populations are expected to experience increased exposure, vulnerability and inability to cope and recover to climate hazards, further increasing existing inequalities of income and

opportunities (Burke et al., 2015; Etzold et al., 2014; Singer, 2018; United Nations Department of Economic and Social Affairs, 2018).



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Climate impacts are worsening the divide between vulnerable communities and the rest of the population. They are less resilient, less equipped, they have less access to finance, training, and education.

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Cecile Leroy

European Delegation in Hanoi, Vietnam, EU

The relationship between climate change/variability and inequalities is **complex** because these two forces contribute and reinforce each other in a vicious cycle of increasing exposure, vulnerability and reducing coping capacities, especially among the most disadvantaged and marginalised groups (Silva Julie A., 2016). These associations are also **multi-dimensional** and **highly context specific** (Oxfam, 2018; United Nations, 2016). Structural inequalities and climate impacts are the product of the interactions of discriminations based on gender, age, ethnicity, race, religion, culture, unequal access to basic services and unequal opportunity for participation and choice. These interactions create structural barriers that limit disadvantaged and marginalised groups' ability to cope with and adapt to climate hazards (Silva Julie A., 2016)



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Poor and most marginalised, especially ethnic minority and migrants, lack of opportunity and voice and this makes them more vulnerable to climate impacts.

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Nguyen Ngoc Huy, OXFAM in Vietnam

In a recent study “**Who bears the burden of climate variability? A comparative analysis of the impact of weather conditions on inequality in Vietnam and Indonesia**”, Pacillo et al. (2020) find that the effect of climate variability in Vietnam is *regressive* as income decreases and income inequality increases with changes in climatic conditions. Our analysis also confirms that these impacts are larger for the poorest and most marginalized people. *Ethnic minority*,

rural and farming households are bearing the biggest burden of these impacts and have a lower probability to escape poverty in the medium to the long term. Climate impacts on inequality in Vietnam are also very *context specific*, and the most affected areas are those that have historically been more affected by the El Nino related events, such as Central Highlands, Southeast and Mekong Delta regions.

There is a growing concern that rising inequality will hinder the socio-economic development in Vietnam. In this webinar, Nguyen Ngoc Huy argued that the **current model for development in Vietnam is not appropriate** in the context of climate change, as it solely relies on economic indicators, such as GDP growth, ignoring deeper socio-cultural differences that affect the ability of poor and most marginalized to cope with climate and other impacts.



“ **Big businesses, often publicly owned, usually have more favorable access to assets and services that are useful to cope with climate impacts.** ”

Hai-Anh Dang, World Bank

Hai-Anh Dang highlighted that despite numerous efforts in tackling poverty in the country, Vietnamese institutions and regulations still work in favour of bigger, publicly owned businesses, that have better access to capital and services. Small enterprises, often informal, lack of those critical institutional safety nets that could allow them to respond better to climate impacts. The **informal sector** provides the main source of employment for most of the poorest and marginalized group and as such should be safeguarded to ensure equal socio-economic development. Janto S. Hess argued that there are opportunities in the field of training and education of ultra-poor household members that could provide the most vulnerable with long-term coping strategies in the form of alternative climate-resilient livelihoods, which could enable stable **transfers and remittances** as insurance against climate hazards.



“Remittances have a huge potential as long term coping strategies against climate impacts. Only in 2018, the total amount of remittances wired totalled to 529 billion, which is three times the amount of ODA from developed to developing countries and bigger than FDI in most developed countries.”

Janto S. Hess, UNDP in Vietnam

Cecile Leroy recognized that this is not a simple task. Much has already been done. The Đổi Mới reform, for example, coupled with the Socio-economic Development Strategy and the Comprehensive Poverty Reduction Strategy have transformed what was then one of the world's poorest nations into a lower middle-income country. Currently, as Phuong Vu highlighted, the work of the Ministry of Agriculture and Rural Development in dealing with the complexity and extent of climate impacts specifically targets the most vulnerable in rural communities, via increasing community awareness, investments in climate resilience and disaster risk management and in strengthening local governance. However, the government now faces the biggest challenges of all, which is reaching the *“last mile”* to aid the most marginalized groups. For instance, access to energy significantly improved since the 1980s, from 10% to 98% in the past decade. This is certainly a great achievement, but not enough. How to reach the last 2% will be exceedingly difficult and this is likely to comprise households and people located in most remote and difficult areas, highly marginalized both economically and culturally.

What can we do to ensure an equal, sustainable economic development for all in Vietnam?

Understanding the direct relationship between structural inequality and climate variability is of paramount importance for the policy development in Vietnam. Despite the existence of many policies designed to target and support low-income groups in coping with emergencies. These policies often have little relevance to the needs, rights, and priorities of the most marginalised people. The lack of participation and voice in the places of power has in the recent years worked in favour of the better-off and widened the gap between these and the most vulnerable (Oxfam,

2018). In addressing these challenges, three main priority actions were identified by the participants:

(1) Strengthening local governance and participatory planning mechanisms to give voice to those who are left behind

Reaching the poorest and most marginalized requires a concerted effort at local level which fully embraces the principles of togetherness and inclusiveness. **Participatory planning** is critical especially when it comes to natural resources management. Granting equal access to shared natural resources is essential for the protection of the most vulnerable from unequal climate impacts, both at community and country level. Cecile Leroy suggested that civil society organisations have a critical role to play in mediating the divide between the rich and poor and in granting voice and participation to those that are usually excluded from the places of power.



“**Civil society organisations can give voice to those who are left behind.**”

Cecile Leroy
European Delegation in Hanoi, EU

(2) Building, instead of suppressing, the differences across culture and practices between majority and minorities ethnic minorities will be key to a more equal, sustainable development in VN

Pacillo et al. (2020) suggest that ethnic minorities are the ones who are bearing the biggest burden of climate impacts in Vietnam and rising inequality of opportunities for these groups are a cause of concern. Oftentimes, organisations and national governments have adopted solutions that do not reflect the difference in culture and practices of many ethnic minorities. These groups thrive on specific cultural and farming practices that are unique and could significantly add value to the country's socio-economic development, when accurately nourished. Hai-Anh Dang highlighted the importance to **invest in cultural, social and economic diversity** to grant a sustainable, climate resilient, future to ethnic minorities in Vietnam.



“ **Ethnic minorities’ cultural and farming practices should be nourished. The Government of Vietnam should invest in tailor-made policies and enrich and appreciate these differences.** ”

Hai-Anh Dang, World Bank

(3) Mainstreaming climate impacts into decision making processes, focus on youth, both rural and urban areas, and a more equal distribution of wealth and opportunities

Many investment and planning decisions still do not take into consideration future and current climate impacts. Vietnam is experiencing a booming construction industry, with dubious structural sensitivity to the increasing adversity of climate hazards. Janto Hess argues that international organisations can better inform decision makers in making infrastructural investment more resilient to climate. Furthermore, Nguyen Ngoc Huy believes that a thorough reform of the Vietnamese economic model is needed, one that do not only focus on natural resources and economic growth but one that centers on people and their increasing needs in the current climate crisis. A more equal distribution of wealth will require richer households to contribute more to the society and support resilience building efforts for the poorest and most vulnerable. This will not only be limited to the rural areas, but investment are also needed to ensure equality of income and opportunities to millions who migrate to cities but do not have access to basic public services, such as health care and education.



“ **The current socio-economic model for Vietnam is not appropriate in the context of climate change.** ”

Nguyen Ngoc Huy, OXFAM in Vietnam

Finally, more investment for the youth, leaders of tomorrow, will also be necessary. Equipping them with stronger skills and education will ensure better employment opportunities both within and outside the country, which will in turn help alleviating climate impacts for those in

their families who are left behind. As suggested by Pacillo et al. (2020) some of these families, especially rural and ethnic minorities, using transfers and remittances as an insurance mechanism to cope with the short-term impacts of climate variability. These coping capacities, however, seem to mostly focus on the short term, while long term uncertainties remain. To address long term uncertainties, a steady flow of transfers and remittances will be needed. Providing better employment to young, well-educated men and women could fit this purpose.

CGIAR's role in climate security in Vietnam

The uncertainties of the current climate crisis and its impacts are increasingly concerning policy makers and practitioners in Vietnam. Addressing climate impacts is not only a matter of socio-economic development. It has repercussions on the stability and security of the country and the region. The Mekong Delta, for instance, has experienced more than 60 years of conflicts around issues of water scarcity and security. Stronger, more unpredictable, and increasingly unequal climate impacts can only worsen these insecurities and force the most vulnerable in a spiral of poverty and further social exclusion (White, 2002).

It was clear from the discussion, how vital the synergy processes between the different actors are. From national governments and their knowledge of excellence of what happens in the field to the extraordinary contribution of United Nation partners, World Bank and international organisations such as Oxfam. Creating opportunities for knowledge sharing and collaboration is vital and can help saving the lives of many. And on this the science and technologies that CGIAR and other research institutes produce are particularly important. Additionally, it is important to emphasise the key imperative of knowledge acceleration, from the academic discovery all the way to the modulation into tangible policies and practices, as the rate of changes triggered by climate variability require the highest degree of celerity. On this the CGIAR is well placed to play the role of catalyst and conveyer. Phuong Vu argues that the need of research institute in transferring of advances in science and technologies is now more important than even for the GoV (Government of Vietnam), specifically in the context of climate change and agriculture. A new paradigm of resilient agriculture is needed in Vietnam.



“**Competition over natural resources will be exacerbated by climate impacts. Vietnam needs a stronger regional mechanism to increase better adaptation of agriculture to climate challenges.**”

Phuong Vu, ICD/MARD

CGIAR is actively involved in supporting the GoV in dealing with climate impacts on agriculture, food systems and drivers of security. Since 2013, the CGIAR Research Program on [Climate Change Agriculture and Food Security in Southeast Asia \(CCAFS SEA\)](#) aimed to help Vietnam, particularly the government and smallholder farmers, to cope with the impacts of climate change in agriculture. CCAFS SEA brings together the world’s best agricultural scientists and climate experts to study and address the interactions, synergies, and trade-offs among climate change, agriculture, and food security. In the decade on work in Vietnam, CCAFS has contributed to “enhancing the knowledge, skills, and favorable attitude of policy makers, practitioners and farmers towards climate change, which led to new ways of thinking and behavior, as well as promising and modern means of doing things (e.g. new practices, policies, strategies)” (Ferrer & Bernardo, 2020). In the peace and security space, CCAFS has contributed to create evidence on some of the main potential drivers on insecurities, such as migration (Bacud et al., 2019). These contributions have significantly supported the overall GoV’s ambition of a “transformed and reoriented agricultural systems that foster sustainable development and ensure food security under a changing climate”. (Ferrer & Bernardo, 2020).

CGIAR is also working on bridging climate science with other disciplines, such as agricultural, data and social sciences to evaluate the impact that the evolving climate challenge brings to the food system. The study discussed in this webinar is an example of this commitment aiming to generate missing evidence on the impact of climate on inequality. Analyses on the direct impact of climate change and variability on structural inequalities are limited, as the literature mostly focuses on the direct effects on poverty and treats inequality as a secondary and consequential issue. Poverty and inequality are, however, very distinct phenomena and often follow different patterns, as demonstrated in Vietnam. Furthermore, a large majority of the previous studies analyse the relationship of climate and inequality across countries, with less attention to how different groups within each country are impacted by climate hazards. The latest analysis by

Pacillo et al. (2020) contributes to filling this gap by using a within country approach to dig deeper in the relationship of climate and inequality and try to understand whether climate variability has a bigger impact on the most vulnerable groups in Vietnam and whether this, contributes to increasing inequality in the country.

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