



DFCD Project Snapshot

Expanding climate-resilient SME finance in Vietnam

26 November 2025

Name of client:	Vietnam Maritime Commercial Joint Stock Bank (trading name, MSB)
Website:	www.msb.com.vn/en/ve-msb.html
Region:	Asia
Country:	Vietnam
Project duration:	Dec 2025 – Dec 2026
Confirmed financing:	€101,250 grant from the DFCD Origination Facility
Financing leveraged:	\$80 million loan from FMO, including \$30 million from DFCD-AYA

Who is our (prospective) client?

Vietnam Maritime Commercial Joint Stock Bank (MSB) was established in 1991 in Hai Phong City in northern Vietnam. After 34 years of growth, including listing on the Ho Chi Minh stock exchange in 2020,¹ it now has a country-wide presence with about 7,000 employees in over 260 branches. The bank has a market capitalisation of 41,300 billion VND (approx. US\$ 1.56 billion) and over US\$ 7 billion in both deposits and loans.² The bank's strategy, and its reputation, is focused on retail and small and medium-sized enterprise (SME) clients, in which SME loans accounted for more than 40% of the bank's loan portfolio.

Growing its "green and sustainable" customer base is one MSB's key objectives for 2025, and this builds off significant preparatory work by MSB in recent years, including:

- The introduction in 2024 of internal guidance for specialised banking units on developing green credit products (in Q1 2024, MSB was the first bank in Vietnam to issue a Green Taxonomy for internal use).

- Identifying environmentally responsible clients, and opportunities for lending linked to green activities and investments.
- Subsequently piloting a VND 3,500 billion (approx. USD 120 million) "green credit solution" for both retail and corporate clients.

It has six inter-related orientations that it is undertaking to achieve this - see "Figure 1".

Why do we fund this project?

The DFCD Origination Facility project is designed to strengthen MSB's ability to lend effectively and impactfully in agricultural sectors that are economically strategic for Vietnam – such as coffee and rice – yet which are highly vulnerable to climate change impacts. To date, MSB's green credit portfolio has been concentrated in the energy, manufacturing and industrial sectors. MSB is seeking support to **expand its agricultural lending portfolio**, where exposure is currently limited to due to a range of challenges, such as:



Figure 1: MSB's "Sustainable Development Orientation" (source: MSB Annual report 2024)

- The high operational costs of serving rural clients and smaller businesses.
- The need for bespoke products adjusted to the business cycle of agriculture.
- The additional risk management processes required to deal with loan portfolios exposed to environmental factors such as annual weather risk and long-term climate change, and economic factors such as price, currency and market volatility, and where traditional risk management approaches based on collateral are not appropriate.

MSB has secured an \$80 million loan from FMO, of which \$30 million will be directed towards financing SMEs, micro-SMEs, and women-led SMEs in rural, sustainable, climate-resilient, and agricultural sectors.³ MSB is simultaneously looking for support from the Origination Facility to help develop this agricultural portfolio by building its systems and capacity to lend – impactfully and inclusively – to these climate vulnerable sectors. At the end of 2024, the bank's agricultural portfolio was VND 7,683 billion in outstanding loans (approx. \$290 million (USD)⁴) - around 4% of its loan portfolio.

The Origination Facility project and the loan from FMO will enable MSB to enhance the climate and sustainability impact of its agricultural lending and to better target clients in critical agricultural sub-sectors such as coffee and rice.

What is the intended funding objective?

The Origination Facility project aims to help MSB lend more money to SMEs and other corporate clients in the agricultural sector. The project aims to develop practical tools and processes required for the bank to design, deliver and manage this new portfolio. It will initially focus on the coffee sector as a case study, with the goal that the skills learned and tools developed will be transferable to other commodities, such as rubber and timber.

The milestones are designed to address the practical "how to lend" risks within MSB's operations, focusing on institutionalising knowledge. Training will target multiple departments within MSB to deliver this. Some of the activities will also build capacity in the clients of MSB to meet the enhanced conditions on criteria such as environmental and social safeguards, gender and inclusion, and impact monitoring (see figure).

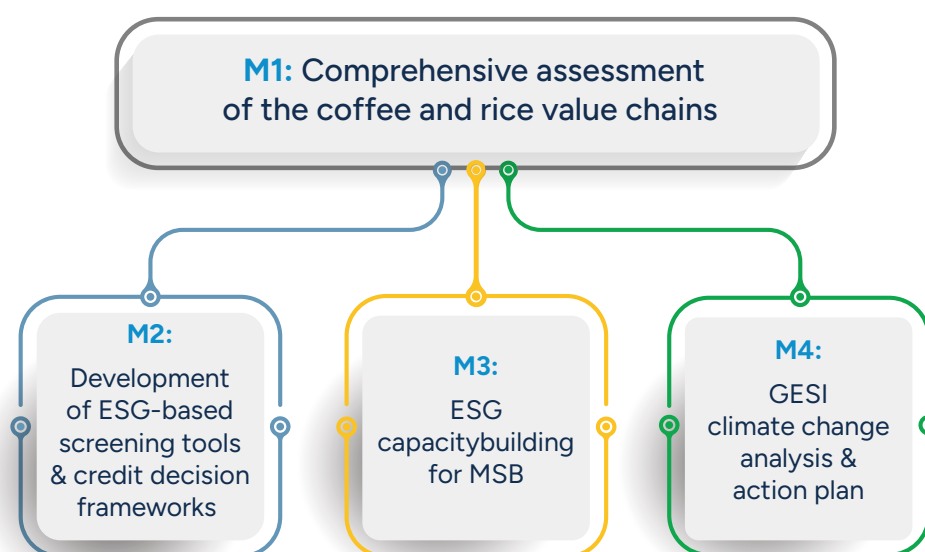


Figure 2: The Origination Facility project will deliver activities at different levels and stages in the bank's operations

The grant will be used to support and co-finance the following milestone activities

The project involves 4 key milestones to be implemented from December 2025 until December 2026:

- **Comprehensive assessment of the coffee and rice value chains:** To analyze the credit landscape, environmental, social and governance (ESG) risks, and growth opportunities in the coffee and rice sectors, providing a solid foundation for MSB's green and inclusive lending strategies.
- **Development of ESG-based screening tools and credit decision frameworks:** This milestone focuses on establishing a set of screening criteria for potential clients in the coffee and rice sectors, supporting MSB in the assessment, monitoring, and management of credit risks related to ESG and climate factors in lending activities within these two sectors.
- **ESG capacity building for MSB:** To strengthen MSB's internal ESG governance, staff knowledge, and practical capabilities in sustainable finance and risk assessment.
- **GESI, climate change analysis and action plan:** To integrate gender equality and social inclusion (GESI) principles, along with comprehensive climate change risk assessments, into MSB's credit framework and sustainable finance strategy, improving access to finance for underserved segments.

What are the expected impacts of the company?

MSB has mobilized \$30 million (USD) in funding from DFCD with the goal of supporting green projects and agriculture-related projects for SMEs that are sustainable and climate-resilient.

The broader goal is for MSB to identify potential clients in the agriculture sector, particularly in coffee and rice, while also enhancing its capacity to assess ESG risks, as well as climate-related risks, when accessing and evaluating these loans. In the long term, it is hoped that this will unlock larger investments to support loans aligned with MSB's sustainable development strategy. This has the potential to support two agricultural sectors that are significant drivers of Vietnam's rural economy – supporting the livelihoods of millions of people throughout the country – yet extremely vulnerable to climate risks such as drought, unpredictable rainfall, salinity, and heat stress.

Environmental and social rationale

The DFCD Origination Facility project complements MSB's existing risk management infrastructure, which includes the **Environmental and Social Management System (ESMS)** developed by MSB in collaboration with USAID and Proparco. It will do so specifically by supporting the integration of ESG/GESI and climate vulnerability analysis into MSB's credit assessments, ensuring that lending decisions mitigate environmental risks such as deforestation and excess climate emissions. This systematic approach ensures that the eventual loan portfolio enhances the resilience and sustainability of smallholder farmers and SMEs in high-risk agricultural regions.

Contact us

For more information and if you want to share any confidential information you may have regarding the intended project or company, please contact: dfcd@snv.org

¹<https://finance.vietstock.vn/MSB-ngan-hang-tmcp-hang-hai-vietnam.htm>

²As of end September 2025.

³<https://www.thedfcd.com/news/fmo-and-msb-partner-to-support-climate-smes>

⁴MSB 2024 Sustainable Development Report, page 23