SEMI-ANNUAL REPORT
June 30, 2016
(unaudited)

VanEck VIP Trust

VanEck VIP Unconstrained Emerging Markets Bond Fund

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VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

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The information contained in this shareholder letter represents the personal opinions of the investment team members and may differ from those of other portfolio managers or of the firm as a whole. This information is not intended to be a forecast of future events, a guarantee of future results or investment advice. Also, unless otherwise specifically noted, any discussion of the Fund’s holdings, the Fund’s performance, and the views of the investment team members are as of June 30, 2016.

Dear Shareholder:

The Initial Class shares of the VanEck VIP Unconstrained Emerging Markets Bond Fund (the "Fund") returned 7.08% over the six-month period ending June 30, 2016, while the Fund's benchmark—a blended index consisting of 50% J.P. Morgan Emerging Markets Bond Index Global Diversified Index[1] (EMBI) and 50% J.P. Morgan Government Bond Index-Emerging Markets Global Diversified Index[2] (GBI-EM) gained 12.23% over the same period. Market performance in the first half of the year was largely driven by a rally in risky assets in both hard and local currencies.

Emerging markets in 2016 continued to be irregular as tailwinds[3] battled with headwinds.[4] Despite all challenges, we believe emerging markets debt remain a good source of yield for investors in a world where over $11 trillion in debt is yielding negative returns. Adding to this, emerging markets are less indebted and have higher growth potential than their developed markets counterparts.

As an unconstrained long-only fund, we seek to find the best investment opportunities across the emerging markets debt universe, including sovereigns and corporates, in hard and local currencies. We believe that this flexibility gives us a greater ability to manage risks in the emerging markets space, especially interest rates, currency, and country risks, and allows for a greater ability to find opportunities with higher yields.

Historically, the Fund has generally adhered to an internal guideline that limits maximum allocations to all emerging markets countries to 15%. To address performance issues related to country risk concentration, the portfolio management team now intends to assign a lower internal country exposure limit of 7.5% to certain countries based on investability, liquidity, economic concentration, risk of capital controls, and other variables. For example, Ecuador is second-tier because it is too illiquid and because it is at risk of capital controls, and Belarus is second-tier because it is too illiquid. For example, Ecuador is second-tier because it is too illiquid and because it is at risk of capital controls, and Belarus is second-tier because it is too illiquid.

Fund Review

To date, 2016 has been a volatile year marked by many twists and turns. Most of the emerging markets countries' debt, denominated in both hard and local currencies, performed well in 2016. Risky assets (Brazil and Russia, for example) led the way while safer assets (Mexico and South Korea) did relatively well. Country returns in the GBI-EM Global Diversified index ranged from -2% to +48% while country returns in EMBI ranged from -17% to + 25%.

Most of our positions this year added value from an absolute basis with Brazil, Argentina, and Mexico contributing most while Venezuela and Iraq detracting most. However, the Fund's defensive stance since the beginning of this year hurt its relative performance compared to the 50/50 blended benchmark. The Fund's overweight positions in Mexico and South Korea were positive from an absolute basis but were a detractor from a relative performance point of view. Brazil, the Fund's top contributor to absolute performance year to date, also detracted from relative performance. Our positions in Brazil were mostly in hard-currency denominated debt, which did not benefit from the run in the Brazilian real this year. The same goes for our Russian exposure.

Argentina remained a bright spot in the first half of 2016 as the new political environment started to bring macroeconomic benefits. Early in the year, the Mauricio Macri government successfully resolved the so-called "holdouts" situation from 2001, which helped to keep the currency remarkably stable.

In Mexico and Brazil we saw opportunities in high-quality and/or high-spread U.S. dollar paper (both corporate and sovereign) with defensive characteristics. Many of these companies also have a significant presence in the U.S. and Europe, which provides a natural hedge against U.S. dollar-denominated debt and gives creditors recourse to assets. The local debt exposure in Brazil benefitted from changes in the policy narrative—especially after the successful initialization of the impeachment process against President Rousseff—as well as the emergence (after many months of frustration) of a strong disinflation trend.

The main benefit of having South Korean exposure in the current unstable environment is that it empirically trades in an uncorrelated manner when emerging markets debt declines. The country is high-rated and its willingness to pay is, in our view, practically beyond doubt. As an extra bonus, South Korea's current account surplus is among the highest in the world and keeps widening. Meanwhile, South Korea's activity indicators (real GDP growth, manufacturing PMI, industrial production, and retail sales) finally started to look a bit more resilient.

Sovereign bonds in Venezuela, Iraq, and Ecuador detracted from Fund's performance. In Venezuela, we believe the main reason for such detraction was that even though the opposition won the National Assembly elections, its main focus seems to be the dismissal of President Maduro, rather than economic issues and structural reforms, including the much-needed change in the foreign currency exchange regime. In addition, a new phase of political uncertainty and social unrest dampened investors' interest in Venezuela bonds. Finally, the continuing volatility in the price of oil also had a negative effect on performance of the bonds in all three countries. Even though we spotted these trends early on, and made the corresponding portfolio changes very early in the year, these positions had a small negative impact on our performance.

We continued to remain nimble and liquid throughout the first six months of 2016. We are aware of the resurgent global headwinds and have a reaction function. We also respect tailwinds in downturns—big and long rallies often happen when things are bad, particularly in an era of central bank experimentation. With this in mind, we like exposure to high-quality U.S. dollar-denominated risk in both sovereigns and corporates. We also like a combination of high spread/idiosyncrasy (Brazil, Argentina, Indonesia, Russia, Brazil corporates, and Peru) and low spread that should outperform if the headwinds manifest themselves (South Korea and Mexico corporates). We also tactically have local market exposure, especially when there are overreactions on the downside or when we believe monetary forbearance from the U.S. Federal Reserve (the "Fed") could produce a serious (however temporary) boost.

During the semi-annual period, the Fund used derivatives, specifically non-deliverable and deliverable foreign exchange forwards, to hedge the currency component of fixed income holdings as well as to establish long risk positions. In particular, the Fund directly hedged the euro risk encumbered in euro-denominated bonds, particularly Argentine euro denominated bonds. The Fund also used non-deliverable forwards to take long risk positions in the Chilean peso and the Peruvian Sol by selling USD/CLP and by selling USD/PEN, respectively. The derivatives positions in the first half of 2016 had a minimal impact on the Fund's performance especially when taking into consideration the opposing positions that the Euro derivatives were trying to hedge.

Portfolio Positioning and Outlook

Our approach to emerging markets debt is based on the fundamental view that the global headwinds are serious, binary, but perhaps not immediate, while the tailwinds appear temporary, unsustainable, albeit perhaps immediate. Policy and political uncertainty in Europe's inconsistencies, which are magnified after the Brexit[5] vote, China's inability to dispel concerns about growth and currency, doubts about the number of policy bullets at the Fed's (or other developed markets central banks') disposal, the U.S. elections and policy moves by Japan's central bank and the government to get the country out of the deflation/low growth vicious circle, are among the most serious headwinds that markets are facing right now. Tailwinds still exist and can be felt occasionally, with powerful short-term effects—but they seem to fade and require ever more repetition. Markets still do not expect the Fed to resume rate hikes until late 2017 and are pricing in more quantitative easing, rate cuts or stimulus in Europe. What is important is that this pushes down the entire U.S. Treasury yield curve, including long-term expectations for both short rates and term premium (which are already at historic lows). Tailwinds—basically monetary forbearance—only seem to generate sharp but short-lived boosts to the risk assets we focus on (in particular to emerging markets local currency).

Our most durable portfolio view is that short-dated, high-quality U.S. dollar yields in emerging markets should decline in a world where a large portion of debt now trades at negative interest rates, so we want to have core positions in high-quality and/or high-spread dollar paper such as Brazil (Petrobras), Mexican corporates with defensive characteristics, South Korea, Argentina, Ukraine, Indonesia, and Peru.

Peru is entering the new presidential term with improved near-term fundamentals, including stronger growth recovery and lower inflation pressures. We believe the new president understands the need for reforms to improve growth sustainability and diversify away from commodities, while the existing legal and institutional frameworks should prevent the run-away fiscal expansion as authorities increase infrastructure spending. Ukraine's economy is stabilizing, while the new government made significant progress on the structural front in order to secure the next installment from the International Monetary Fund (IMF).

The near-term tailwind of pricing out Fed hikes could boost some emerging markets foreign currencies—but not all. We view emerging markets foreign currencies more tactically and are balancing near-term tailwinds against long-term headwinds. For this reason, we are focusing our local currency debt exposure on names with the highest real rates and high nominal rates that can benefit most from a repricing of the Fed. We also prefer names with positive idiosyncratic fundamental drivers and where currencies were allowed to depreciate during the past risk-off episodes. These last describe Brazil, Russia, Indonesia, Malaysia, and Argentina (though maybe that's weakening), and we are looking at Peru local as well.

In Brazil, the policy environment improved after the new government took office. The disinflation trend is finally taking off, while the government is lining up structural changes that would be instrumental in the fiscal adjustment process (which we hope will allow the central bank to start the easing cycle in the coming months). In Russia, there are finally green shoots in the economy and tentative signs of positive changes in the structure of growth as inflation pressures are easing and the Central Bank of Russia is making cautious easing moves. The central bank's policy response to the recent shocks was exemplary and even though there is no big "sweeping" reform program, a lot of small policy moves are taking place. In Indonesia, we also see more action in terms of policy-making as the reform momentum gains pace. Authorities also seem to be able to generate domestic growth outside of the oil complex, while keeping inflation pressures under control.

The Fund is subject to risks associated with its investments in emerging markets debt securities. Investing in foreign denominated and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. As the Fund may invest in securities denominated in foreign currencies and some of the income received by the Fund will be in foreign currencies, changes in currency exchange rates may negatively impact the Fund's return. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. The Fund may also be subject to credit risk, interest rate risk, sovereign debt risk, tax risk, hedging risk, non-diversification risk, and risks associated with non-investment grade securities. Please see the prospectus for information on these and other risk considerations.

We appreciate your participation in the VanEck VIP Unconstrained Emerging Markets Bond Fund, and we look forward to helping you meet your investment goals in the future.

Eric Fine
Portfolio Manager

David Austerweil
Deputy Portfolio Manager

July 19, 2016

Represents the opinions of the investment adviser. Past performance is no guarantee of future results. Not intended to be a forecast of future events, a guarantee of future results or investment advice. Current market conditions may not continue.

The performance quoted represents past performance. Past performance is no guarantee of future results; current performance may be lower or higher than the performance data quoted. Performance information reflects temporary waivers of expenses and/or fees and does not include insurance/annuity fees and expenses. Investment returns would have been reduced had these fees/expenses been included. Investment return and the value of the shares of the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Fund returns assume that dividends and capital gains distributions have been reinvested in the Fund at NAV. Index returns assume that dividends of the Index constituents in the Index have been reinvested. Performance information current to the most recent month end is available by calling 800.826.2333.

The Fund is only available to life insurance and annuity companies to fund their variable annuity and variable life insurance products. These contracts offer life insurance and tax benefits to the beneficial owners of the Fund. Your insurance or annuity company charges, fees and expenses for these benefits are not reflected in this report or in the Fund's performance, since they are not direct expenses of the Fund. Had these fees been included, returns would have been lower. For insurance products, performance figures do not reflect the cost for insurance and if they did, the performance shown would be significantly lower. A review of your particular life and/or annuity contract will provide you with much greater detail regarding these costs and benefits.

All indices are unmanaged and include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in the Fund. An index's performance is not illustrative of the Fund's performance. Indices are not securities in which investments can be made. Results reflect past performance and do not guarantee future results.

[1] J.P. Morgan Emerging Markets Bond Index Global Diversified Index (EMBI) tracks returns for actively traded external debt instruments in emerging markets, and is also J.P. Morgan's most liquid U.S. dollar emerging markets debt benchmark.

[2] J.P. Morgan Government Bond Index-Emerging Markets Global Diversified Index (GBI-EM) tracks local currency bonds issued by emerging markets governments. The index spans over 15 countries.

[3] Tailwinds describes a condition or situation that will help move growth higher and increase growth of an economy.

[4] Headwinds in an economic situation represent events or conditions, e.g., a credit crisis, rising costs, natural disasters, etc., that slow down the growth of an economy.

[5] British withdrawal from the European Union

EXPLANATION OF EXPENSES
(unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including program fees on purchase payments; and (2) ongoing costs, including management fees and other Fund expenses. This disclosure is intended to help you understand the ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The disclosure is based on an investment of $1,000 invested at the beginning of the period and held for the entire period, January 1, 2016 to June 30, 2016.

Actual Expenses

The first line in the table below provides information about account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period."

Hypothetical Example for Comparison Purposes

The second line in the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as fees on purchase payments. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

EXPLANATION OF EXPENSES

(unaudited) (continued)

	Beginning Account Value January 1, 2016	Ending Account Value June 30, 2016	Expenses Paid During the Period* January 1, 2016 - June 30, 2016
VanEck VIP Unconstrained Emerging Markets Bond Fund			
Actual	$1,000.00	$1,070.80	$5.66
Hypothetical**	$1,000.00	$1,019.39	$5.52

* Expenses are equal to the Fund's annualized expense ratio (for the six months ended June 30, 2016) of 1.10%, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year divided by the number of the days in the fiscal year (to reflect the one-half year period).

** Assumes annual return of 5% before expenses

SCHEDULE OF INVESTMENTS

June 30, 2016 (unaudited)

	Principal Amount		Value
CORPORATE BONDS: 28.1%			
Argentina: 4.5%			
USD	393,000	Arcor SAIC 6.00%, 07/06/20 (c) 144A	$ 396,930
	423,000	Banco Hipotecario SA 9.75%, 11/30/20 144A	459,907
	305,000	IRSA Propiedades Comerciales SA 8.75%, 03/23/20 (c) 144A	325,206
ARS	3,297,000	YPF SA 30.56%, 10/21/23 (f) #	195,333
			1,377,376
Cayman Islands: 2.0%			
USD	568,000	Lima Metro Line 2 Finance Ltd. 5.88%, 07/05/34 Reg S	598,388
Luxembourg: 3.9%			
EUR	737,000	Gazprom OAO 4.36%, 03/21/25 Reg S	876,422
USD	295,000	Minerva Luxembourg SA 7.75%, 01/31/18 (c) Reg S	304,440
			1,180,862
Mexico: 9.8%			
	749,000	Coca-Cola Femsa SAB de CV 3.88%, 11/26/23	805,433
	120,000	Corp. GEO SAB de CV 9.25%, 08/01/16 (c) (d) * Reg S	78
	421,000	Gruma SAB de CV 4.88%, 09/01/24 (c) Reg S	455,733
Mexico: (continued)			
USD	295,000	Grupo Bimbo SAB de CV 3.88%, 06/27/24 Reg S	$ 308,043
	304,000	JB y Compania SA de CV 3.75%, 05/13/25 Reg S	315,809
	479,000	Kimberly-Clark de Mexico SAB de CV 3.25%, 03/12/25 Reg S	486,027
	598,000	Sigma Alimentos SA de CV 4.13%, 02/02/26 (c) 144A	605,475
			2,976,598
Netherlands: 6.0%			
		Petrobras Global Finance BV	
	438,000	5.75%, 01/20/20	424,247
	589,000	7.88%, 03/15/19	609,615
	759,000	8.38%, 05/23/21	785,185
			1,819,047
United Kingdom: 1.4%			
		AngloGold Ashanti Holdings Plc	
	167,000	5.13%, 08/01/22	170,966
	82,000	5.38%, 04/15/20	85,667
	186,000	6.50%, 04/15/40	182,745
			439,378
United States: 0.5%			
	139,000	CNOOC Finance 2015 USA LLC 3.50%, 05/05/25	141,077
Total Corporate Bonds (Cost: $8,314,686)			8,532,726

SCHEDULE OF INVESTMENTS

June 30, 2016 (unaudited) (continued)

Principal Amount		Value
FOREIGN GOVERNMENT OBLIGATIONS: 68.1%		
Argentina: 9.6%		
ARS 1,563,176	Argentine Republic Government International Bond 5.83%, 12/31/33	$ 656,034
9,974,000	Letras del Banco Central de la Republica Argentina 26.30%, 01/04/17 ^	585,990
USD 263,000	Province of Buenos Aires 7.88%, 06/15/27 144A	271,548
496,000	Province of Cordoba 7.13%, 06/10/21 144A	498,480
616,000	Province of Mendoza 8.38%, 05/19/24 144A	640,640
263,000	Province of Salta 9.13%, 07/07/24 144A	263,592
		2,916,284
Belarus: 0.1%		
40,000	Belarus International Bond 8.95%, 01/26/18 Reg S	41,780
Brazil: 7.3%		
	Notas do Tesouro Nacional, Series F	
BRL 3,620,000	10.00%, 01/01/25	1,012,643
4,315,000	10.00%, 01/01/27	1,194,860
		2,207,503
China / Hong Kong: 2.9%		
USD 884,000	Export-Import Bank of China 2.88%, 04/26/26 Reg S	885,653
Dominican Republic: 0.5%		
USD 131,000	Dominican Republic International Bond 6.88%, 01/29/26 144A	$ 144,886
Guatamala: 0.8%		
243,000	Guatemala Government Bond 4.50%, 05/03/26 144A	247,556
Indonesia: 6.3%		
1,103,000	Indonesia Government International Bond 4.75%, 01/08/26 Reg S	1,203,782
IDR 9,029,000,000	Indonesia Treasury Bond 8.38%, 09/15/26	724,929
		1,928,711
Israel: 2.6%		
USD 755,000	Israel Government International Bond 2.88%, 03/16/26	780,007
Ivory Coast: 1.6%		
520,000	Ivory Coast Government International Bond 5.38%, 07/23/24 Reg S	490,100
Malaysia: 3.0%		
MYR 3,612,000	Malaysia Government Bond 4.74%, 03/15/46	914,052
Pakistan: 1.4%		
USD 404,000	Pakistan Government International Bond 7.25%, 04/15/19 Reg S	425,608

Principal Amount			Value
Paraguay: 3.5%			
		Paraguay Government International Bond	
USD	378,000	4.63%, 01/25/23 Reg S	$ 395,010
	625,000	5.00%, 04/15/26 144A	660,937
			1,055,947
Peru: 1.0%			
	253,000	Peruvian Government International Bond 3.95%, 11/21/33	292,341
Philippines: 3.2%			
		Philippine Government International Bond	
PHP	200,000	7.75%, 01/14/31	311,405
USD	415,000	8.75%, 01/20/40	652,069
			963,474
Russia: 8.2%			
		Russian Federal Bond	
RUB	58,044,000	7.00%, 08/16/23	852,331
	65,940,000	8.15%, 02/03/27	1,036,077
	37,098,000	8.50%, 09/17/31	593,777
			2,482,185
South Africa: 2.4%			
ZAR	11,818,000	South Africa Government Bond 8.75%, 02/28/48	733,457
South Korea: 7.8%			
		Korea International Bond	
USD	1,000,000	3.88%, 09/11/23	1,147,550
	919,000	5.63%, 11/03/25	1,210,691
			2,358,241
Ukraine: 4.4%			
	1,343,000	Ukraine Government International Bond 7.75%, 09/01/19 Reg S	1,329,570
Vietnam: 1.5%			
		Vietnam Government International Bond	
USD	166,067	4.00%, 05/04/16 (c) (s)	$ 164,198
	265,000	6.75%, 01/29/20 Reg S	294,722
			458,920
Total Foreign Government Obligations (Cost: $20,234,192)			20,656,275

Number of Shares		Value
MONEY MARKET FUND: 4.7% (Cost: $1,438,104)		
1,438,104	AIM Treasury Portfolio—Institutional Class	1,438,104
Total Investments: 100.9% (Cost: $29,986,982)		30,627,105
Liabilities in excess of other assets: (0.9)%		(272,094)
NET ASSETS: 100.0%		$30,355,011

SCHEDULE OF INVESTMENTS

June 30, 2016 (unaudited) (continued)

ARS	Argentine Peso
BRL	Brazilian Real
EUR	Euro
IDR	Indonesian Rupiah
MYR	Malaysian Ringgit
PHP	Philippine Peso
RUB	Russian Ruble
USD	United States Dollar
ZAR	South African Rand
(c)	Callable Security - the redemption date shown is when the security may be redeemed by the issuer
(d)	Security in default
(f)	Floating Rate Bond - coupon reflects the rate in effect at the end of the reporting period
(s)	Step Bond - coupon increases periodically based upon a predetermined schedule. The rate shown reflects the rate in effect at the end of the reporting period
*	Non-income producing
^	Zero Coupon Bond - the rate shown is the effective yield at purchase date
#	Indicates a fair valued security which has been valued in good faith pursuant to guidelines established by the Board of Trustees. The aggregate value of fair valued securities is $195,333 which represents 0.6% of net assets.
Reg S	Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration.
144A	Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended, or otherwise restricted. These securities may be resold in transactions exempt from registration, unless otherwise noted, and the value amounted to $4,515,157, or 14.9% of net assets.

As of June 30, 2016, the Fund held the following open forward foreign currency contracts:

Counterparty	Contracts to deliver	In Exchange For	Settlement Dates	Unrealized Appreciation (Depreciation)
State Street Bank & Trust Company	USD 1,180,940	EUR 1,062,121	7/28/2016	$(1,268)
State Street Bank & Trust Company	EUR 1,062,121	USD 1,182,990	7/28/2016	3,318
Net unrealized appreciation on forward foreign currency contracts				$ 2,050

EUR	Euro
USD	United States Dollar

Summary of Investments by Sector (unaudited)	**% of Investments**	**Value**
Basic Materials	1.4%	$ 439,378
Consumer, Non-cyclical	12.0	3,677,890
Energy	9.9	3,031,879
Financial	2.6	785,113
Government	67.4	20,656,275
Industrial	2.0	598,466
Money Market Fund	4.7	1,438,104
	100.0%	$30,627,105

The summary of inputs used to value the Fund's investments as of June 30, 2016 is as follows:

	Level 1 Quoted Prices	**Level 2 Significant Observable Inputs**	**Level 3 Significant Unobservable Inputs**	**Value**
Corporate Bonds*	$ —	$ 8,532,726	$ —	$ 8,532,726
Foreign Government Obligations*	—	20,656,275	—	20,656,275
Money Market Fund	1,438,104	—	—	1,438,104
Total	$1,438,104	$29,189,001	$ —	$30,627,105
Other Financial Instruments:				
Forward Foreign Currency Contracts	$ —	$ 2,050	$ —	$ 2,050

* See Schedule of Investments for security type and geographic country breakouts

There were no transfers between levels during the period ended June 30, 2016.

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2016 (unaudited)

Assets:	
Investments, at value (Cost $29,986,982)	$30,627,105
Receivables:	
Investments sold	7,180,280
Shares of beneficial interest sold	407
Dividends and interest	690,549
Prepaid expenses	94
Net unrealized appreciation on forward foreign currency contracts	2,050
Total assets	38,500,485
Liabilities:	
Payables:	
Investments purchased	7,429,152
Shares of beneficial interest redeemed	36,517
Due to Adviser	18,454
Due to custodian	598,662
Deferred Trustee fees	12,748
Accrued expenses	49,941
Total liabilities	8,145,474
NET ASSETS	$30,355,011
Shares of beneficial interest outstanding	3,714,370
Net asset value, redemption and offering price per share	$8.17
Net Assets consist of:	
Aggregate paid in capital	$32,850,522
Net unrealized appreciation	596,851
Undistributed net investment income	660,539
Accumulated net realized loss	(3,752,901)
	$30,355,011

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2016 (unaudited)

Income:		
Dividends		$ 2,449
Interest (net of foreign taxes withheld of $3,390)		837,896
Total income		840,345
Expenses:		
Management fees	$150,882	
Transfer agent fees	10,330	
Custodian fees	11,345	
Professional fees	18,064	
Reports to shareholders	12,841	
Insurance	1,106	
Trustees' fees and expenses	1,369	
Interest	15	
Other	981	
Total expenses	206,933	
Waiver of management fees	(40,998)	
Net expenses		165,935
Net investment income		674,410
Net realized gain (loss) on:		
Investments (net of foreign taxes of $4,029)		1,054,826
Forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities		(137,466)
Net realized gain		917,360
Net change in unrealized appreciation (depreciation) on:		
Investments		523,239
Forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities		(17,001)
Net change in unrealized appreciation (depreciation)		506,238
Net Increase in Net Assets Resulting from Operations		$2,098,008

See Notes to Financial Statements

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2016 (unaudited)	Year Ended December 31, 2015
Operations:		
Net investment income	$ 674,410	$ 2,173,798
Net realized gain (loss)	917,360	(6,509,727)
Net change in unrealized appreciation (depreciation)	506,238	(397,688)
Net increase (decrease) in net assets resulting from operations	2,098,008	(4,733,617)
Dividends to shareholders from:		
Net investment income	—	(2,211,375)
Share transactions*:		
Proceeds from sale of shares	6,224,948	6,357,141
Reinvestment of dividends	—	2,211,375
Cost of shares redeemed	(7,450,582)	(9,166,533)
Net decrease in net assets resulting from share transactions	(1,225,634)	(598,017)
Total increase (decrease) in net assets	872,374	(7,543,009)
Net Assets:		
Beginning of period	29,482,637	37,025,646
End of period (including undistributed (accumulated) net investment income (loss) of $660,539 and $(13,871), respectively)	$ 30,355,011	$ 29,482,637
*** Shares of beneficial interest issued, reinvested and redeemed (unlimited number of $.001 par value shares authorized):**		
Shares sold	789,721	759,538
Shares reinvested	—	247,912
Shares redeemed	(939,782)	(1,110,550)
Net decrease	(150,061)	(103,100)

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period:

	For the Six Months Ended June 30, 2016 (unaudited)	Initial Class Shares Year Ended December 31, 2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 7.63	$ 9.33	$10.60	$11.92	$11.71	$12.03
Income from investment operations:						
Net investment income	0.18	0.56	0.67	0.60	0.24	0.27
Net realized and unrealized gain (loss) on investments	0.36	(1.70)	(0.49)	(1.67)	0.39	0.62
Total from investment operations	0.54	(1.14)	0.18	(1.07)	0.63	0.89
Less dividends and distributions from:						
Net investment income	—	(0.56)	(0.56)	(0.25)	(0.26)	(0.96)
Net realized capital gains	—	—	(0.89)	—(b)	(0.16)	(0.25)
Total dividends and distributions	—	(0.56)	(1.45)	(0.25)	(0.42)	(1.21)
Redemption fees	—	—	—	—	—(b)	—(b)
Net asset value, end of period	$8.17	$7.63	$9.33	$10.60	$11.92	$11.71
Total return (a)	7.08%(c)	(13.09)%	2.18%	(9.17)%	5.55%	8.14%
Ratios/Supplemental Data						
Net assets, end of period (000's)	$30,355	$29,483	$37,026	$39,857	$54,529	$43,854
Ratio of gross expenses to average net assets	1.37%(d)	1.34%	1.20%	1.43%	1.18%	1.22%
Ratio of net expenses to average net assets	1.10%(d)	1.10%	1.10%	1.10%	1.10%	1.10%
Ratio of net expenses, excluding interest expense, to average net assets	1.10%(d)	1.10%	1.10%	1.10%	1.10%	1.10%
Ratio of net investment income to average net assets	4.47%(d)	6.38%	6.34%	4.87%	2.10%	2.33%
Portfolio turnover rate	352%(c)	572%	441%	483%	0%	23%

(a) Total return is calculated assuming an initial investment made at the net asset value at the beginning of period, reinvestment of any dividends and distributions at net asset value on the dividend/distribution payment date and a redemption at the net asset value on the last day of the period. The return does not reflect the deduction of taxes that a shareholder would pay on Fund dividends/distributions or the redemption of Fund shares.
(b) Amount represents less than $0.005 per share
(c) Not annualized
(d) Annualized

NOTES TO FINANCIAL STATEMENTS

June 30, 2016 (unaudited)

Note 1—Fund Organization—VanEck VIP Trust (formerly Van Eck VIP Trust) (the "Trust") is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Trust was organized as a Massachusetts business trust on January 7, 1987. The VanEck VIP Unconstrained Emerging Markets Bond Fund (the "Fund") is a non-diversified series of the Trust and seeks high total return (income plus capital appreciation) by investing globally, primarily in a variety of debt securities. The Fund currently offers a single class of shares: Initial Class Shares.

Note 2—Significant Accounting Policies—The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

The Fund is an investment company and is following accounting and reporting requirements of Accounting Standards Codification ("ASC") 946 Financial Services – Investment Companies.

The following is a summary of significant accounting policies followed by the Fund.

A. Security Valuation—The Fund values its investments in securities and other assets and liabilities carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Debt securities are valued on the basis of evaluated prices furnished by an independent pricing service approved by the Board of Trustees or provided by securities dealers. The pricing services may use valuation models or matrix pricing, which consider: (i) yield or price with respect to bonds that are considered comparable in characteristics such as rating, interest rate and maturity date and/or (ii) quotations from bond dealers to determine current value and are categorized as Level 2 in the fair value hierarchy. Short-term obligations purchased with more than sixty days remaining to maturity are valued at market value. Short-term obligations purchased with sixty days or less to maturity are valued at amortized cost, which with accrued interest approximates fair value. Money market fund investments are valued at net asset value. Forward foreign currency contracts are valued at the spot currency rate plus an amount ("points"), which reflects the differences in interest rates between the U.S. and foreign markets and are categorized as Level 2 in the fair value hierarchy. Securities for which quotations are not available are stated at fair value as determined by the Pricing Committee of Van Eck Associates Corporation (the "Adviser") appointed by the Board of

Trustees. The Pricing Committee provides oversight of the Fund's valuation policies and procedures, which are approved by the Fund's Board of Trustees. Among other things, these procedures allow the Fund to utilize independent pricing services, quotations from securities dealers, and other market sources to determine fair value. The Pricing Committee convenes regularly to review the fair value of financial instruments for which market prices are not readily available. The Pricing Committee employs various methods for calibrating the valuation approaches utilized to determine fair value, including a regular review of key inputs and assumptions, transactional back-testing and disposition analysis.

Certain factors such as economic conditions, political events, market trends, the nature of and duration of any restrictions on disposition, trading in similar securities of the issuer or comparable issuers and other security specific information are used to determine the fair value for these securities. Depending on the relative significance of valuation inputs, these securities may be classified either as Level 2 or Level 3 in the fair value hierarchy. The price which the Fund may realize upon sale of an investment may differ materially from the value presented on the Schedule of Investments.

The Fund utilizes various methods to measure the fair value of its investments on a recurring basis which includes a hierarchy that prioritizes inputs to valuation methods used to measure fair value. The fair value hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The transfers between levels of the fair value hierarchy assume the financial instruments were transferred at the beginning of the reporting period. The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

A summary of the inputs, the levels used to value the Fund's investments, and transfers between levels are located in the Schedule of Investments. Additionally, tables that reconcile the valuation of the Fund's Level 3 investments and that present additional information about valuation methodologies and unobservable inputs, if applicable, are located in the Schedule of Investments.

B. Federal Income Taxes—It is the Fund's policy to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

C. Currency Translation—Assets and liabilities denominated in foreign currencies and commitments under foreign currency contracts are translated into U.S. dollars at the closing prices of such currencies each business day. Purchases and sales of investments are translated at the exchange rates prevailing when such investments are acquired or sold. Foreign denominated income and expenses are translated at the exchange rates prevailing when accrued. The portion of realized and unrealized gains and losses on investments that result from fluctuations in foreign currency exchange rates is not separately disclosed in the financial statements. Recognized gains or losses attributable to foreign currency fluctuations on foreign currency denominated assets, other than investments, and liabilities are recorded as net realized gain (loss) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities in the Statement of Operations. The total net realized gains and losses from fluctuations of foreign exchange rates on investments and other foreign currency denominated assets and liabilities are disclosed in Note 5 – Income Taxes.

D. Dividends and Distributions to Shareholders—Dividends to shareholders from net investment income and distributions from net realized capital gains, if any, are declared and paid annually. Income dividends and capital gain distributions are determined in accordance with U.S. income tax regulations, which may differ from such amounts determined in accordance with GAAP.

E. Use of Derivative Instruments—The Fund may make investments in derivative instruments, including, but not limited to, options, futures, swaps and other derivatives relating to foreign currency transactions. A derivative is an instrument whose value is derived from underlying assets, indices, reference rates or a combination of these factors. Derivative instruments may be privately negotiated contracts (often referred to as over-the-counter ("OTC") derivatives) or they may be listed and traded on an exchange. Derivative contracts may involve future commitments to purchase or sell financial instruments or commodities at specified terms on a specified date, or to exchange interest payment streams or currencies based on a notional or contractual amount. Derivative instruments may involve a high degree of financial risk. The use of derivative instruments also involves the risk of loss if the investment adviser is incorrect in its expectation of the timing or level of fluctuations in securities prices, interest rates or currency prices. Investments in derivative instruments also include the risk of default by the counterparty, the risk that the investment may not be liquid and the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument. GAAP requires enhanced disclosures about the Fund's derivative instruments and hedging activities. Details of this disclosure are found below as well as in the Schedule of Investments.

Forward Foreign Currency Contracts—The Fund is subject to foreign currency risk in the normal course of pursuing its investment objectives. The Fund may buy and sell forward foreign currency contracts to settle purchases and sales of foreign denominated securities, gain currency exposure or to hedge foreign denominated assets. Realized gains and losses from forward foreign currency contracts, if any, are included in realized gain (loss) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities in the Statement of Operations. The Fund may incur additional risk from investments in forward foreign currency contracts if the counterparty is unable to fulfill its obligation or there are unanticipated movements of the foreign currency relative to the U.S. dollar. The Fund held forward foreign currency contracts for five months during the period ended June 30, 2016 with an average unrealized depreciation of $7,666. Forward foreign currency contracts held at June 30, 2016 are reflected in the Schedule of Investments.

At June 30, 2016, the Fund held the following derivative instruments:

	Asset Derivatives
	Foreign Currency Risk
Forward foreign currency contracts[1]	$2,050

1 Statement of Assets and Liabilities location: Net unrealized appreciation on forward foreign currency contracts

The impact of transactions in derivative instruments, during the period ended June 30, 2016, was as follows:

	Foreign Currency Risk
Realized gain(loss):	
Forward foreign currency contacts[2]	$(76,481)
Net change in unrealized appreciation (depreciation):	
Forward foreign currency contracts[3]	(361)

NOTES TO FINANCIAL STATEMENTS
(unaudited) (continued)

2 Statement of Operations location: Net realized loss on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities

3 Statement of Operations location: Net change in unrealized appreciation (depreciation) on forward foreign currency contracts, foreign currency transactions and foreign denominated assets and liabilities

F. **Offsetting Assets and Liabilities—**In the ordinary course of business, the Fund enters into transactions subject to enforceable master netting or other similar agreements. Generally, the right of setoff in those agreements allows the Fund to set off any exposure to a specific counterparty with any collateral received or delivered to that counterparty based on the terms of the agreements. The Fund may pledge or receive cash and/or securities as collateral for derivative instruments. Collateral, if any, held at June 30, 2016 is presented in the Schedule of Investments.

The table below presents both gross and net information about the derivative instruments eligible for offset in the Statement of Assets and Liabilities subject to master netting or similar agreements, as well as financial collateral received or pledged (including cash collateral) as of June 30, 2016. Collateral, if any, is disclosed up to an amount of 100% of the net amount of unrealized gain/loss for the respective financial instruments. In general, collateral received or pledged exceeds the net amount of the unrealized gain/loss or market value of financial instruments.

	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount of Assets Presented in the Statement of Assets and Liabilities	Financial Instruments and Collateral Received	Net Amount
Forward foreign currency contracts	$3,318	$(1,268)	$2,050	$—	$2,050

	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments and Collateral Pledged	Net Amount
Forward foreign currency contracts	$(1,268)	$1,268	$—	$—	$—

G. **Other—**Security transactions are accounted for on trade date. Realized gains and losses are calculated on the identified cost basis. Dividend income is recorded on the ex-dividend date. Interest income, including amortization of premiums and discounts, is accrued as earned. The Fund received redemption fees from Class R1 Shares prior to its closing on April 30, 2012 which are reflected in the Financial Highlights.

In the normal course of business, the Fund enters into contracts that contain a variety of general indemnifications. The Fund's maximum exposure under these agreements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Adviser believes the risk of loss under these arrangements to be remote.

Note 3—Investment Management and Other Agreements—The Adviser is the investment adviser to the Fund. The Adviser receives a management fee, calculated daily and payable monthly based on an annual rate of 1.00% of the first $500 million of average daily net assets, 0.90% of the next $250 million of average daily net assets and 0.70% of the average daily net assets in excess of $750 million. The Adviser has agreed, at least until May 1, 2017, to waive management fees and/or assume expenses (excluding acquired fund fees and expenses, interest expense, trading expenses, dividends and interest payments on securities sold short, taxes, and extraordinary expenses) from exceeding 1.10% of the Fund's average daily net assets. For the period ended June 30, 2016, the Adviser waived management fees in the amount of $40,998. Certain officers and trustees of the Trust are officers, directors or stockholders of the Adviser and Van Eck Securities Corporation, the distributor.

Note 4—Investments—For the period ended June 30, 2016, the cost of purchases and proceeds from sales of investments, excluding U.S. government securities and short-term obligations, aggregated $101,481,553 and $99,364,629, respectively.

Note 5—Income Taxes—For Federal income tax purposes, the identified cost of investments owned at June 30, 2016 was $30,041,309 and net unrealized appreciation aggregated to $585,796 of which $719,909 related to appreciated securities and $134,113 related to depreciated securities.

The tax character of dividends and distributions paid to shareholders for the year ended December 31, 2015 was as follows:

Ordinary income	$2,211,375

The tax character of current year distributions will be determined at the end of the current fiscal year.

At December 31, 2015, the Fund had capital loss carryforwards available to offset future capital gains as follows:

Post-Effective No Expiration Long-Term Capital Losses	Post-Effective No Expiration Short-Term Capital Losses
$45,475	$4,572,165

Realized gains or losses attributable to fluctuations in foreign exchange rates on investments and other foreign currency denominated assets and liabilities result in permanent book to tax differences which may affect the tax character of distributions and undistributed net investment income at the end of the Fund's fiscal year. For the period January 1, 2016 to June 30, 2016, the Fund's net realized gains from foreign currency translations were $82,923.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more-likely-than-not" to be sustained assuming examination by applicable tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on return filings for all open tax years. The Fund does not have exposure for additional years that might still be open in certain foreign jurisdictions. Therefore, no provision for income tax is required in the Fund's financial statements.

The Fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended June 30, 2016, the Fund did not incur any interest or penalties.

Note 6—Concentration of Risk—The Fund may purchase securities on foreign exchanges. Securities of foreign issuers involve special risks and considerations not typically associated with investing in U.S. issuers. These risks include devaluation of currencies, less reliable information about issuers, different security transaction clearance and settlement practices and future adverse political and economic developments. These risks are heightened for investments in emerging markets countries. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of comparable U.S. issuers. The Fund may invest in debt securities which are rated below investment grade by rating agencies. Such securities involve more risk of default than higher rated securities and are subject to greater price variability.

As a result of recent events involving Ukraine and the Russian Federation, the United States and the European Union have imposed sanctions on certain Russian individuals and companies. These sanctions do not currently impact the Fund. Additional economic sanctions may be imposed or other actions may be taken that may adversely affect the value and liquidity of the Russian-related issuers held by the Fund.

Further, the United Kingdom recently decided to leave the European Union ("EU"), creating economic and political uncertainty in its wake. Significant uncertainty exists regarding the timing of the United Kingdom's withdrawal from the EU and the effects such withdrawal will have on the Euro, European economies and the global markets. This may further impact the value of the Euro and the British pound sterling, and has caused volatility and uncertainty in European and global markets.

At June 30, 2016, the aggregate shareholder accounts of five insurance companies own approximately 47%, 23%, 9%, 8% and 5% of the Fund's outstanding shares of beneficial interest.

Note 7—Trustee Deferred Compensation Plan—The Trust has a Deferred Compensation Plan (the "Deferred Plan") for Trustees under which the Trustees can elect to defer receipt of their trustee fees until retirement, disability or termination from the Board of Trustees. The fees otherwise payable to the participating Trustees are deemed invested in shares of eligible Funds of the Trust and the VanEck Funds (another registered investment company managed by the Adviser) as directed by the Trustees.

The expense for the Deferred Plan is included in "Trustees' fees and expenses" in the Statement of Operations. The liability for the Deferred Plan is shown as "Deferred Trustee fees" in the Statement of Assets and Liabilities.

Note 8—Bank Line of Credit—The Trust participates with VanEck Funds (collectively the "VE/VIP Funds") in a $30 million committed credit facility (the "Facility") to be utilized for temporary financing until the settlement of sales or purchases of portfolio securities, the repurchase or redemption of shares of the Fund and other temporary or emergency purposes. The participating VE/VIP Funds have agreed to pay commitment fees, pro rata, based on the unused but available balance. Interest is charged to the VE/VIP Funds at rates based on prevailing market rates in effect at the time of borrowings. During the period ended June 30, 2016, the average daily loan balance during the 8 day period for which a loan was outstanding amounted to $715,595 and the average interest rate was 1.70%. At June 30, 2016, the Fund had no outstanding borrowings under the Facility.

Note 9—Subsequent Event Review—The Fund has evaluated subsequent events and transactions for potential recognition or disclosure through the date the financial statements were issued.

APPROVAL OF ADVISORY AGREEMENT
June 30, 2016 (unaudited)

VANECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND (the "Fund")

The Investment Company Act of 1940, as amended (the "1940 Act"), provides, in substance, that an investment advisory agreement between a fund and its investment adviser may be entered into only if it is approved, and may continue in effect from year to year after an initial two-year period only if its continuance is approved, at least annually by the fund's board of trustees, including by a vote of a majority of the trustees who are not "interested persons" of the fund as defined in the 1940 Act (the "Independent Trustees"), cast in person at a meeting called for the purpose of considering such approval. On June 23, 2016, the Board of Trustees (the "Board") of VanEck VIP Trust (the "Trust"), which is comprised exclusively of Independent Trustees, voted to approve the continuation of the existing advisory agreement (the "Advisory Agreement") between the Fund and its investment adviser, Van Eck Associates Corporation (together with its affiliated companies, the "Adviser"). Information regarding the material factors considered and related conclusions reached by the Board in approving the continuation of the Advisory Agreement is set forth below.

In considering the continuation of the Advisory Agreement, the Board reviewed and considered information that had been provided by the Adviser throughout the year at meetings of the Board and its committees, including information requested by the Board and furnished by the Adviser for meetings of the Board held on June 2, 2016 and June 22 and 23, 2016 specifically for the purpose of considering the continuation of the Advisory Agreement. The written and oral reports provided to the Board included, among other things, the following:

- Information about the overall organization of the Adviser and the Adviser's Information about the overall organization of the Adviser and the Adviser's short-term and long-term business plans with respect to its mutual fund operations and other lines of business;
- The consolidated financial statements of the Adviser for the past two fiscal years;
- A copy of the Advisory Agreement and descriptions of the services provided by the Adviser thereunder;

- Information regarding the qualifications, education and experience of the investment professionals responsible for portfolio management, investment research and trading activities for the Fund, the structure of their compensation and the resources available to support these activities;
- A report prepared by an independent consultant comparing the Fund's investment performance (including, where relevant, total returns, standard deviations, Sharpe ratios, information ratios, beta and alpha) with respect to a representative class of shares of the Fund for the one-, three-, five- and ten-year periods ended March 31, 2016 with those of (i) a universe of mutual funds selected by the independent consultant with similar portfolio holding characteristics, share class attributes and other operational characteristics as the Fund (the "Category"), (ii) a sub-group of funds selected from the Category by the independent consultant further limited to approximate more closely the Fund's investment style, expense structure and asset size (the "Peer Group"), (iii) an appropriate benchmark index and (iv) two additional benchmark indexes, each of which comprises 50% of the Fund's benchmark index (each an "Additional Index");
- A report prepared by an independent consultant comparing the advisory fees and other expenses of a representative class of shares of the Fund during its fiscal year ended December 31, 2015 with a similar share class of each fund in the (i) Category and (ii) Peer Group;
- An analysis of the profitability of the Adviser with respect to its services for the Fund and the VanEck complex of mutual funds as a whole (the "VanEck Complex");
- Information regarding other investment products and services offered by the Adviser involving investment objectives and strategies similar to the Fund ("Comparable Products"), including the fees charged by the Adviser for managing the Comparable Products, a description of material differences and similarities in the services provided by the Adviser for the Fund and the Comparable Products, the sizes of the Comparable Products and the identity of the individuals responsible for managing the Comparable Products;
- Information concerning the Adviser's compliance program, the resources devoted to compliance efforts undertaken by the

Adviser on behalf of the Fund, and reports regarding a variety of compliance-related issues;

- Information with respect to the Adviser's brokerage practices, including the Adviser's processes for monitoring best execution of portfolio transactions and the benefits received by the Adviser from research acquired with soft dollars;
- Information regarding the procedures used by the Adviser in monitoring the valuation of portfolio securities, including the methodologies used in making fair value determinations, and the Adviser's due diligence process for recommending the selection of pricing vendors and monitoring the quality of the inputs provided by such vendors;
- Information regarding how the Adviser safeguards the confidentiality and integrity of its data and files (both physical and electronic), as well as of any communications with third parties containing Fund and shareholder information, including reports regarding the Adviser's cybersecurity framework and its implementation, the identification and monitoring of cybersecurity risks (including the risks that arise out of arrangements with third party service providers), the Adviser's cybersecurity response policy which is being finalized and will document the Adviser's processes for the suitable escalation, remediation and communication of a cybersecurity event and other initiatives of the Adviser to mitigate cybersecurity risks;
- Information regarding the Adviser's policies and practices with respect to personal investing by the Adviser and its employees, including reports regarding the administration of the Adviser's code of ethics and the Adviser's policy with respect to investments in the Fund by the Adviser's investment personnel;
- Descriptions of the processes that the Adviser uses to evaluate and monitor the liquidity of fixed-income instruments and information regarding the actions the Adviser has taken with respect to risk management and disclosure matters relating to changing fixed income market conditions;
- Descriptions of sub-transfer agency, omnibus account and other shareholder servicing arrangements for the Fund with intermediaries (collectively, "Servicing Arrangements"), including a description of the services provided by the intermediaries pursuant to such Servicing Arrangements and the payment terms

of the Servicing Arrangements, as well as reports regarding the amounts paid pursuant to the Servicing Arrangements and the amounts paid to intermediaries with respect to the Fund by the Adviser pursuant to any revenue sharing arrangements and Servicing Arrangements (to the extent not paid by the Fund);

- Descriptions of other administrative and other non-investment management services provided by the Adviser for the Fund, including the Adviser's activities in managing relationships with the Fund's custodian, transfer agent and other service providers; and
- Other information provided by the Adviser in its response to a comprehensive questionnaire prepared by independent legal counsel on behalf of the Independent Trustees.

In determining whether to approve the continuation of the Advisory Agreement, the Board considered, among other things, the following: (1) the nature, quality, extent and cost of the investment management, administrative and other non-investment management services provided by the Adviser; (2) the nature, quality and extent of the services performed by the Adviser in interfacing with, and monitoring the services performed by, third parties, such as the Fund's custodian, transfer agent, sub-transfer agents and independent auditor, and the Adviser's commitment and efforts to review the quality and pricing of third party service providers to the Fund with a view to reducing non-management expenses of the Fund; (3) the terms of the Advisory Agreement and the services performed thereunder; (4) the willingness of the Adviser to reduce the overall expenses of the Fund from time to time, if necessary or appropriate, by means of waiving a portion of its fees or paying expenses of the Fund; (5) the quality of the services, procedures and processes used to determine the value of the Fund's assets and the actions taken to monitor and test the effectiveness of such services, procedures and processes; (6) the ongoing efforts of, and resources devoted by, the Adviser with respect to the development and implementation of a comprehensive compliance program; (7) the responsiveness of the Adviser to inquiries from, and examinations by, regulatory authorities, including the Securities and Exchange Commission; (8) the resources committed by the Adviser in recent periods to information technology and cybersecurity; and (9) the ability of the Adviser to attract and retain quality professional personnel to perform investment advisory and administrative services for the Fund.

APPROVAL OF ADVISORY AGREEMENT
June 30, 2016 (unaudited) (continued)

The Board considered the fact that the Adviser is managing other investment products, including exchange-traded funds, hedge funds, separate accounts and UCITs, one or more of which may invest in the same financial markets and may be managed by the same investment professionals according to a similar investment objective and/or strategy as the Fund. The Board concluded that the management of these products contributes to the Adviser's financial stability and is helpful to the Adviser in attracting and retaining quality portfolio management personnel for the Fund. In addition, the Board concluded that the Adviser has established appropriate procedures to monitor conflicts of interest involving the management of the Fund and the other products and for resolving any such conflicts of interest in a fair and equitable manner.

The performance data and the advisory fee and expense ratio data described below for the Fund is based on data for a representative class of shares of the Fund. The performance data is net of expenses for periods on an annualized basis ended March 31, 2016, and the advisory fee and expense ratio data is as of the Fund's fiscal year end of December 31, 2015.

Performance. The Board noted that, at the recommendation of the Adviser and in an effort to enhance the performance and long-term viability of the Fund, the Board had approved material changes to the Fund's principal investment strategies, which became effective May 1, 2013. The Board further noted that, in light of these changes, the performance of the Fund compared to other similarly managed funds prior to May 1, 2013 was not relevant to the Board's consideration of the Advisory Agreement. The Board then noted, based on a review of comparative annualized total returns, that the Fund had underperformed its Category and Peer Group medians and its benchmark index over the one-year period. The Board further noted that the Fund had outperformed one of the Additional Indexes and underperformed the other for the one-year period. The Board noted that actions have been taken by the Adviser to establish additional risk-control investment guidelines that will limit the Fund's exposure to certain issuer-specific and country-specific risks. The Board concluded that additional time is needed to evaluate the effectiveness of such actions.

Fees and Expenses. The Board noted that the advisory fee rate and the total expense ratio, net of waivers or reimbursements, for the Fund were higher than the median advisory fee rates and the median expense ratios for its Category and Peer Group. The Board also noted that the Adviser makes use of a complex and unique proprietary strategy for managing the Fund's portfolio and that the Adviser has agreed to waive fees or pay expenses of the Fund through April 2017 to the extent necessary to prevent the expense ratio of the Fund from exceeding a specified maximum amount (subject to certain exclusions). On the basis of the foregoing, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded that the advisory fee rate charged to the Fund is reasonable.

Profitability and Economies of Scale. The Board considered the profits, if any, realized by the Adviser from managing the Fund and other mutual funds in the VanEck Complex and the methodology used to determine such profits. The Board noted that the levels of profitability reported on a fund-by-fund basis varied widely depending on such factors as the size, type of fund and operating history. The Board further noted that, in evaluating the reasonableness of the Adviser's profits from managing any particular Fund, it would be appropriate to consider the size of the Adviser relative to other firms in the investment management industry and the impact on the Adviser's profits of the volatility of the markets in which the Funds invest and the volatility of cash flows into and out of the Funds through various market cycles. Based on its review of the foregoing information, and in light of the nature, extent and quality of the services provided by the Adviser, the Board concluded that the profits realized by the Adviser, if any, are deemed not to be excessive. In this regard, the Board also considered the extent to which the Adviser may realize economies of scale, if any, as the Fund grows and whether the Fund's fee schedule, which includes breakpoints, reflects any economies of scale for the benefit of shareholders. The Board concluded that, with respect to the Fund, any economies of scale being realized are currently being shared by the Adviser and the Fund, and that adding or modifying existing breakpoints would not be warranted at this time for the Fund.

Conclusion. In determining the material factors to be considered in evaluating the Advisory Agreement and the weight to be given to such factors, the members of the Board relied upon the advice of independent legal counsel and their own business judgment. The Board did not consider any single factor as controlling in determining whether to approve the continuation of the Advisory Agreement and

APPROVAL OF ADVISORY AGREEMENT

June 30, 2016 (unaudited) (continued)

each member of the Board may have placed varying emphasis on particular factors considered in reaching a conclusion. Moreover, this summary description does not necessarily identify all of the factors considered or conclusions reached by the Board. Based on its consideration of the foregoing factors and conclusions, and such other factors and conclusions as it deemed relevant, the Board (comprised exclusively of Independent Trustees) concluded that the continuation of the Advisory Agreement is in the interests of shareholders and, accordingly, the Board approved the continuation of the Advisory Agreement for an additional one-year period.

Additional information about the VanEck VIP Trust's (the "Trust") Board of Trustees/Officers and a description of the policies and procedures the Trust uses to determine how to vote proxies relating to portfolio securities are provided in the Statement of Additional Information. The Statement of Additional Information and information regarding how the Trust voted proxies relating to portfolio securities during the most recent twelve month period ending June 30 is available, without charge, by calling 800.826.2333, or by visiting vaneck.com, or on the Securities and Exchange Commission's website at http://www.sec.gov.

The Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Qs are available on the Commission's website at http://www.sec.gov and may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 202.942.8090. The Fund's complete schedule of portfolio holdings is also available by calling 800.826.2333 or by visiting vaneck.com.

VanEck™

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