



## Partnership for Market Readiness

### Expression of Interest and Response to Questionnaire on Market Readiness Capacity

## A. Expression of interest

### Partnership for Market Readiness (PMR)

#### Expression of interest in participating in the PMR

*Countries seeking support from the PMR are requested to prepare a cover letter, including a short statement confirming the country's interest in participating in the PMR. The cover letter should be accompanied by an Annex containing the following information:*

<p><b>1. Name of the government agency submitting expression of interest:</b> Ministry of planning and investment (MPI) in cooperating with Ministry of natural resources and environment of Vietnam (MONRE)</p> <p>Department of Science, Education, Natural Resource and the Environment (DSENRE)- MPI</p>
<p><b>2. Name and contact information of designated PMR Government focal point</b></p> <p>Mr. Nguyen Tuan Anh Deputy Director General Department of Science, Education, Natural Resource and the Environment</p>
<p><b>3. Domestic mitigation action:</b> outline what are the purposes and main objectives of your country's mitigation strategy.</p> <ul style="list-style-type: none"><li>• Provide an overview of domestic mitigation policies and plans and the status of the implementation - at both the national and sub-national levels.</li><li>• Briefly identify the key sectors targeted by the mitigation strategy.</li></ul> <p>The key purposes of Viet Nam's Green Growth (Development)/low carbon strategy is:</p> <ul style="list-style-type: none"><li>• Mainstream sustainable development in all aspects of development planning to internalize social and environmental costs of development to improve environmental quality and enhance the quality of growth and achieving set development goals.</li><li>• Contribute to global efforts to address the impacts of global climate change by reducing green house gas emissions as opposed to 2020 business as usual.</li><li>• Deepen and strengthen green growth (development) agenda through development of new green businesses and investments and greening of existing industries.</li><li>• Change behaviour towards green consumption and production practices within the country.</li></ul>
<p><b>4. Market Instruments<sup>1</sup>:</b> briefly outline experience to date with relevant market instruments as well as future plans.</p> <ol style="list-style-type: none"><li>a. Provide a brief description of experience to date with market-based instruments, e.g., type of instrument, dates of implementation, scope, and key outcomes.</li><li>b. To the extent that one (or more) specific market instrument is already identified for future implementation; provide a brief overview of the status of development/implementation and its</li></ol>

<sup>1</sup> Without prejudging future developments on market instruments, this question refers to instruments providing a price signal that create an incentive to use or invest in climate-friendly technologies and/or processes. Such market instruments can include domestic instruments (e.g., emissions trading and non-GHG based schemes such as renewable energy and energy efficiency trading systems) and international market instruments such as reformed CDM, sectoral, and NAMA crediting.

relevance to the country's overall mitigation strategy.

Currently Vietnam is working to start using market based instruments. An environmental tax has been enacted and will be implemented from January 2021 onwards. The tax covers domestic products and import products have negative impacts on environment and people's health including:

- i. Fuels and products from fossil such as: gas, fuels in aviation, diesel oil, fuel oil, oil, greasy fat, coal, natural gas, coal gas;
- ii. HCFC solutions;
- iii. Tobacco;
- iv. Plastic powder and bead from petrochemical products; polyethylene plastics; imported plastic waste;
- v. Battery, types of accumulator;
- vi. Chemical substances for washing (except for the products made from vegetation);
- vii. Inorganic acid and soda;
- viii. Industrial paints.**

**5. Support from the PMR:** provide a short summary of your current assessment of the capacity needs and gaps for which support from the PMR is being sought. To the extent that one (or more) specific market instrument is identified; outline the type of support that your country may be seeking from the PMR.

The PMR will enable Viet Nam to strengthen:

- Meeting environmental standards through the use of market-based instruments. Besides the above mentioned environmental income tax, non- market instruments have been introduced. To reduce GHG emissions and other gasses (acid rain, black carbon) different mechanism can be employed such as tax, cap and trade based mechanism, quota based approaches and so on.
- Viet Nam is committed to reduce GHG emissions. This will require enhanced skills and capacity to:
  - Better capture benefits from global carbon markets through mechanisms such as CDM, REDD+ and voluntary carbon markets;
  - Develop domestic mechanisms to reduce GHG gas emissions. A cap and trade and/or sectoral carbon budget mechanism could be options;
  - Restructure economy structure and growth models from natural resource extensive exploitation to investment in natural resources and human resources development.

Vietnam has developed a comprehensive set of laws to regulate the environment and mainstream environmental issue into development (planning). It has developed an environmental protection law and developed an agenda 21 on Sustainable Development. However it is anticipated to meet more challenging environmental targets and to effectively contribute to global efforts to reduce GHG emissions markets based instruments have to be assessed and understood.

**6. Institutional setting:** how would you plan to coordinate the PMR efforts at the domestic level, i.e., which Ministry would lead and which government agencies would be involved?

The Ministry of Planning and Investment will have overall responsibility. The Ministry of Natural Resources and Environment will be responsible for the technical aspects. Furthermore the Ministry of Finance will be responsible for overall fiscal related matters. On technical level focussed at particular sectors, the responsibilities lies with the technical ministries.

Overall, MPI, in coordination with other ministries and guided by scientific advise, will set emission reduction targets driven by:

- Meeting overall social economic development targets;
- Effectively contributing to sustainable development and environmental protection.

The next step will be then a decision on reduction targets meeting the above set criteria and policy instruments to be employed to reach these.

**7. Stakeholder participation:** are there intentions/plans /processes to engage non-governmental stakeholders (e.g., private sector)? If so, provide brief description.

The PMR includes component to involve participation of private sector in preparation and implementation green development initiatives.

**8. Initiatives by other bilateral and multilateral development partners:** outline any initiative(s) pursued with other international partners underway in your country that is (are) relevant to market readiness support (e.g., low carbon development strategies, MRV, etc).

The following relevant activities are on-going:

- JICA and USAID support to MONRE to develop a Green House Gas emission monitoring and reporting system. The project is managed by ISPONRE (Institute for Policy and Strategy on Natural Resources and the Environment under MONRE. Total value is \$3.5 million;
- GHG emissions registry for key emissions sources funded by NFD/ADB. The activity focus on identifying key emission sources. Value of the assistance is \$2.5 million;
- Development of an overall modeling approach. The work is supported by DFID and implemented by the Central Institute for Economic Management (CIEM) under MPI. Scoping report is already available.
- Multi-regional, recursive-dynamic CGE model, with top down CGE w/structure of GTAP-E model, regional and sectoral disaggregation: 114 regions and 57 sectors based on GTAP – 8 and social accounting matrix, up to 2050. Supported by DFID, ADB, JICA and USAID. Top down and bottom up models, bottom up models include the following energy sectors for Viet Nam: Power Generation, Residential, transport and industry interface.
- Modeling LCS; Kyoto University and National Institute for Environmental Studies models (AIM-models). Capacity building to create the scenario of climate change impact as a basis of NAMA. Period 2011-2013, ISPONRE and technically the project is supported by KU and NIES with financial assistance from JICA.
- MPI/UNDP: Sustainable Development and Climate Planning Project. Project focuses on policy development and reforming planning practices to mainstreaming sustainable development and climate change in planning.

## **B. Response to Questionnaire on market readiness capacity**

*In addition to submitting a cover letter with the Annex outlined in part A (above), countries are strongly encouraged to provide as many responses as possible to the Questionnaire on market readiness capacity. The questionnaire is not a mandatory requirement per se, but is designed to help each country seeking support from the PMR to better outline its particular situation in terms of climate change mitigation actions, its current experience and capacity, and its market readiness capacity needs. (It is not necessary to respond to all questions, as some may not be appropriate or relevant for all countries).*

## (i) Policy, legal frameworks and institutions

*This section should provide a more detailed overview of national policies related to climate change mitigation. Depending on the instrument use, the implementation of GHG emission reduction actions requires strong and well-working government institutions at different levels. It also requires a reliable policy-making process that can cope with the necessary complex decisions. This section should also provide information on existing institutions and the policy-making process.*

### Institutional setting in the government for climate policy

- 1. Is there a national focal point/institution for cross-governmental coordination and implementation of climate change-related programs?** Yes/no

Describe the institutional setup of the focal point or other forms of national coordination of climate related activities, if existing.

*Yes, there is a cross governmental infrastructure for climate change. This consists of a national steering committee and an executive board. The Steering committee is headed by the prime minister. The Ministry of Natural resources and Environment is acting deputy chairman, The Minister for Planning and Investment and the Minister of Agriculture and Rural Development are standing member.*

- 2. If yes, is the institutional focal point a governmental unit with clear tasks and a separate appointed budget?** Yes/no

Describe where the unit is located within the government, the mandate, and responsibility of the institution. If possible, provide brief overview of resources allocated for the institution to fulfill this mandate.

*Ministry of Natural Resources and Environment is focal point, according to the assigned State management functions responsibilities, shall assist the Executive Board to coordinate activities of Ministries, sectors, provinces in managing and implementing the NTP, focusing in the following main tasks:*

*- To chair and co-operate with the relevant agencies and authority of different levels in developing mechanism, policies for the management and execution of the implementation of the NTP to submit to the Prime Minister for issuing or to issue according to the assigned functions and tasks;*

*- Based on the NTP implementation plan, calculate the necessary budget to submit to the Executing Board in order to summarize and incorporate into annual funding plans reported to the Ministries of Planning and Investment and Finance in accordance with the Law on State Budget;*

*- To guide and assist ministries/sectors/provinces in developing and implementing their action plans to respond to climate change;*

*- To inspect, test, and regularly assess and draw lessons learnt from implementation of the NTP;*

*- To generally co-ordinate the activities of the publication of information, training, education, and communication related to climate change;*

*- To annually synthesize and report to the Prime Minister results of the NTP implementation, and propose measures to resolve problems that are outside the Ministry's functions and authority;*

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- To chair, co-ordinate with Ministry of Planning and Investment to develop a monitoring and evaluation mechanism for NTP implementation;

- To instruct, monitor and evaluate NTP implementation;

- To develop and implement action plans of the Ministry to respond to climate change, and carry out assigned projects/plans.

Yes, the focal point has a separate appointed budget.

Furthermore, the National Target Program to Respond to Climate Change receives a 60 million USD allocation by the national budgets.

**3. Are there other governmental institutions/agencies with responsibility for implementation of climate change-related programs? Yes/no**

Provide an overview.

Yes, All Ministries/relevant departments have been given the instruction to mainstream climate change in their respective portfolios if relevant. Key ministries have developed national action plans to respond to climate change. This involves MONRE, MARD, MOIT, MoE, MPI (under development). These action plans are partly funded through the state budget.

Under framework of NTP-RCC, the tasks assigned to ministries, provinces as follows:

*a) Ministry of Planning and Investment:*

- To take the lead and co-ordinate with other ministries/sectors/provinces to develop a standard framework procedure and guidelines for mainstreaming climate change issues into socio-economic development strategies, programs, plans and planning;

- To co-ordinate with the Ministry of Natural Resources and Environment in the development of a monitoring and evaluation mechanism for NTP implementation;

- To develops and implements action plans of the Ministry to respond to climate change.

*b) Ministries, ministerial agencies and other Governmental authorities:*

To develop and implement their action plans to respond to climate change; carry out tasks assigned by the NTP; proactively participate in common coordinated activities under the direction of the Steering Committee.

*c) People's Committees of Provinces and central-governed Cities*

- To develop and implement action plans to respond to climate change in their provinces and cities;

- To organize the implementation of related activities approved in the NTP;

- To ensure the correct and efficient use of funds allocated under the NTP;

- To mobilize additional resources and combine all related activities of other programs within provinces/cities to achieve the objectives of the NTP;

- To comply with the monitoring and evolution principles defined in the NTP;

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- To periodically report on the implementing progress of the NTP objectives and tasks at the provincial/ city level.

*d) Social Organizations, Non-Government Organizations, and Enterprises*

*Promote political-social organizations, unions, non-government organizations, private sector, and enterprises, according to their functions and roles, to actively participate in climate change response activities, especially in the area of information, education and communication; support and mobilise the communities in active participation, expansion and dissemination of experiences of climate change response models; implement or participate in the NTP and action plans of Ministries, sectors and localities.*

**Integration of climate mitigation issues into overall national policy**

**4. Has the country developed a national climate strategy and/or a low emissions development strategy (LEDS)?** Yes/no

Provide URL and brief overview of the strategy (e.g. identify general objectives, priorities as well as main components and key pillars of the strategy) and how it links to the national development policy.

*Yes, the Green Growth/Low Carbon Development strategy is currently under development (which is the Vietnamese LEDS).*

*The LEDS is currently being developed. It builds on existing studies carried out by the Central Institute for Economic Management (CIEM) and the Institute for Policy and Strategy of Natural Resources and Environment. Both institutes have organized workshops on the subject and released reports. These reports are available upon request.*

*As the strategy is being developed currently no URL link is available*

**5. If yes, which parts of the government prepared the strategy and which institutions were involved in its preparation?**

*Fill in here*

*The Ministry of Planning and Investment is preparing the strategy under guidance of the National Steering Committee for the National Response to Climate Change and with input of members of the National Executive Board. A drafting team is established and Terms of Reference for overall strategy development are being prepared. This will involve a technical support team consisting of development partners (amongst others World Bank and UNDP) and international consultants. The first step, a scoping mission and identification is currently being executed. A report will be available soon.*

**6. What, if any, obstacles and challenges were encountered in elaborating the strategy?** Yes/no

Provide details.

*Key obstacles and challenges which the strategy development is facing:*

- *Detailed GHG emission data. Currently only tier 1 data are available which makes it difficult to develop sector based strategies. This requires further elaboration through low carbon development studies as currently supported by the World Bank*



**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- *Awareness on implications and impacts of climate change remains limited, which generates limited support for the necessary emission reductions*
- *Current development model is seen by most as based on cheap energy and resource extraction. This leads to questions about the feasibility of a low carbon development path*

*In response MPI has already developed an Information, Education and Communication strategy which aims at informing stakeholders and change behaviours towards supporting green growth and climate change response.*

- 7 Does the strategy consider market-based instruments as a possible instrument for mitigation action, such as the CDM or other types of market instruments (e.g., domestic emissions trading, or domestic trading schemes for energy efficiency or renewable energy certificates?)** Yes/no

If yes, provide information on the type and scope of potential use of market instruments.

*Yes, however this depends on the Green Growth/Low Carbon Development strategy*

*The strategy is currently under development and market based mechanism/instruments are being assessed and considered. The shape and form still has to be decided and depends on:*

- *Effectiveness in meeting a possible future voluntary emission reductions as well as other environmental damaging emissions (sulphur oxides)*
- *Acceptance by stakeholders, such as business associations and civil society*
- *Impact on sustainable development*

- 8. If no, are market-based instruments under consideration by the government outside of the climate strategy?**

Provide details and comment.

*Fill in here*

*None, this will be part of the green growth strategy*

- 9. Does the national government have full responsibility for implementing climate, energy and environmentally related policies or are responsibilities shared with sub-national (e.g. provincial or state) governments.** Full/shared

Provide details on institutional / jurisdictional setup with respect to responsibilities over climate change and related areas.

*Fill in here*

*Yes, the national government is fully responsible for developing strategies, policies and setting targets.*

*The provincial governments are decentralized and have power to decide how to implement relevant policies within their administrative areas however these policies are guided and set by national level strategies and targets.*

## Administrative relations with the UNFCCC

**10. Is there a registered UNFCCC focal point in the country?** Yes/no

Briefly describe the institutional setup of the focal point.

*Fill in here*

*Yes, the Ministry of Natural Resources and Environment. The focal point is guided by the National Steering Committee/Executive Board on the National Response to Climate Change. As Vietnam ratified UNFCCC on 16 November 1994 and KP on 25 September 2002. Ministry of Natural Resources and Environment was assigned by the Government of Vietnam as a National Focal Agency for taking part in and implementing the UNFCCC and KP. The International Cooperation Department of MONRE was designated as a Clean Development Mechanism National Authority (CNA) in Vietnam in March 2003. CDM National Executive and Consultative Board (CNECB) was established in April 2003 with representatives from related Ministries and Offices.*

**11. Is there a Designated National Authority (DNA) for the CDM (Clean Development Mechanism) registered at UNFCCC?** Yes/no

Briefly describe the institutional setup of the DNA, including in which ministry it is located.

*Fill in here*

*Yes, the DNA is located in MONRE (Ministry of Natural Resources and Environment). Details are:*

Viet Nam National Steering Committee for UNFCCC and Kyoto Protocol  
Department of Meteorology, Hydrology and Climate Change  
No. 8 Phao Dai Lang street,  
Dong Da, Ha Noi,  
Viet Nam  
Mr. Nguyen Khac Hieu ( vnccoffice@fpt.vn, nkhiu@monre.gov.vn )  
Deputy Director General  
Phone: (+84-4) 377 593 84 / (+84-4) 377 593 85  
Fax: (+84-4) 377 593 82

## National Communication under the UNFCCC

**12. Is a (or more than one) National Communication under the UNFCCC available?** Yes/no

Comment.

*Fill in here*

*Yes, the first and second communications to the UNFCCC are available on the UNFCCC website*

**13. Which entity prepared the latest available National Communication?  
Which ministries and agencies were involved?**

*Fill in here*

*Ministry of Natural Resources and Environment prepared the Second National Communication. The SNC was supported by the Executive Board for the NTP-RCC.*

## CDM/VER project development capacity<sup>2</sup>

**14. Are the different public agencies (DNA, ministries, and administration) familiar with the CDM and the CDM project cycle?** Yes/no

Comment on extent of familiarity (e.g., low, medium, high) for different relevant public agencies.

*Fill in here*

*Yes, there is a DNA which consists of concerned Ministries. The DNA consists of 18 Ministries involved. Despite an initial slow start, the DNA has gained momentum and currently over 64 projects are registered.*

*Vietnam has established a legal framework which regulates CDM and consists of the following regulations:*

1. Decree No. 25/2008/NĐ-CP dated March 4<sup>th</sup> 2008 by Gov. stipulating functions and responsibilities, organizational arrangement in MONRE ("*Decree No. 25/2008/NĐ-CP*");
2. Directive No. 35/2005/CT-TTg dated Oct 17<sup>th</sup> 2005 by Prime Minister in terms of implementation of the Kyoto Protocol within UNCCC framework ("*Directive No.35/2005/CT-TTg*");
3. Circular No. 10/2006/TT-BTNMT dated 12 Dec 2006 by MONRE guiding preparation of CDM projects within the Kyoto Protocol framework ("*Circular No. 10/2006/TT-BTNMT* ") (regulates Designated National Authority and its related responsibilities);
4. Decision No. 130/2007/QĐ-TTg dated Aug 2<sup>nd</sup> 2007 by Prime Minister on financial mechanisms and policies on CDM based investment projects ("*Decision No. 130/2007/QĐ-TTg*");
5. Inter-ministerial Circular No. 58/2008/TTLT-BTC-BTN&MT dated July 4<sup>th</sup> 2008 guiding implementation of Articles indicated in Decision 130/2007/QĐ-TTg on financial mechanisms and policies for investment projects based on CDM ("*Inter-ministerial Circular No. 58/2008/TTLT-BTC-BTN&MT*").

**15. How many projects have been approved by the DNA? projects  
How many DNA-approved projects have been registered by the UNFCCC? percent**

Provide details on the status of DNA approved projects in the UNFCCC registry.

*Fill in here,*

*Currently there are 64 registered and approved projects in the UNFCCC data base. Approval data are not available yet but the DNA has worked towards addressing a backlog in approvals over the last year.*

**16. Which types of projects have been approved by the DNA / registered by the UNFCCC?**

Provide details on the different types of projects.

*Over 80% is renewable energy which is mostly hydropower. Others types are waste management and methane capturing. There is one CDM Aforestation/reforestation project. Total CERS is in excess of 26 million CO<sub>2</sub>e.*

---

<sup>2</sup> Please furthermore provide details if your country has capacity related to JI (Joint Implementation).

**17. How many voluntary market (VER) projects are being implemented in the country? Which types of projects are these?**

Comment.

*Fill in here*

3 projects are registered in the VCS (Voluntary Carbon Standard) database. All are renewable energy projects, 2 focussing on hydropower and one on rice husk thermal generation

Project ID ▲▼	Project Name ▲▼	Project Proponent ▲▼	Country ▲▼	Sectoral Scope ▲▼	Estimated VCUs ▲▼
589	<a href="#">Cai Be Rice Husk Thermal Energy Generation Project</a>	<a href="#">Wilmar International Limited</a>	VIET NAM	Energy industries (renewable - / non-renewable sources)	22321
580	<a href="#">Coc Dam Hydropower Project</a>	<a href="#">Hoang Son Construction Company Limited</a>	VIET NAM	Energy industries (renewable - / non-renewable sources)	16472
635	<a href="#">Dak Rung Hydropower Project</a>	<a href="#">Viet Nguyen Construction Works Joint Stock Company</a>	VIET NAM	Energy industries (renewable - / non-renewable sources)	7136

**18. Are there ‘lessons learned’ emerging from setting up the CDM process in the country and from ongoing activities in this area?**

Yes/no

Provide details on successes, challenges and problems that have been encountered since the initial activities to set up the CDM system.

*Fill in here*

Key lessons learnt:

- *The initial institutional set up was inclusive but complicated and slowed down approvals. This has recently being addressed and the number of project approved has increased dramatically (from 8 to 64 within 20 years)*
- *Levies and sharing mechanism were seen by investors are cumbersome. GoV has addressed and lifted amongst others an obligation that if ODA was used to develop a project the profits were to be shared with the GoV and granted to the Environmental Protection Fund (58/2008/TTLT-BTC-*

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

*BTN&MT dated July 4<sup>th</sup> 2008 guiding implementation of Articles indicated in Decision 130/2007/QĐ-TTg on financial mechanisms and policies for investment projects based on CDM ("Inter-ministerial Circular No. 58/2008/TTLT-BTC-BTN&MT"). This has been adjusted to only the share of ODA in total project development costs has to be granted to the EPF*

- *CDM project are granted special entitlements (No. 130/2007/QĐ-TTg, CDM projects in Vietnam shall be given with preferential conditions in terms of levied tax, land use fee, land use hiring fee, fixed asset depreciation, State credit<sup>3</sup>. CDM projects will get income tax exemption or income tax cut if the project is categorized as special preferential one in accordance with Decree No. 108/2006/ND-CP dated 22 Sep 2006 (Provision III, Session A, Annex I: List of special preferential projects, attached to the Decree). Initial these were poorly enforced, the GOV has improved their enforcement to accelerate the development of CDM*
- *Improvement in procedures has led to a rapid increased in the number of projects. However the emphasis is mainly on hydropower and methane capturing. Promotion of CDM project with wider development impacts enabling Vietnam to meet MDG earlier has to be further promoted.*

**19. Does the government actively engage in the CDM (e.g. , promotion of CDM project development, capacity building, awareness raising, data collection or calculations, etc.)?** Yes/no

If yes, describe in which form and through which activities.

*Fill in here*

*Yes, the following action has been undertaken:*

- *The GOV has recently conducted a review with the support of JICA aiming at accelerating the development of CDM. This review has led to changes in legal framework which has led to a rapid acceleration of project approvals. In particular the requirements for project which had some ODA financing have been relaxed which provides opportunities for more pro-poor CDM.*
- *Local government have been informed on CDM. One of the key bottlenecks was the limited awareness of local governments which led to delays and misunderstandings during project initiation.*
- *With a rapidly growing portfolio of project interest for project types is widening. Recently a Vietnam initiated one of the first CDM Aforestation/reforestation projects. This involves a 320 ha bare hill side and 320 families. This project has received attention nationally and attracted interest in CDM A/R.*

**Relevant environmental/energy related policies and legislation**

**20. Are there other relevant national (or sub-national) policy frameworks (e.g., energy strategy, waste management strategy, air pollution plans) that are relevant for GHG mitigation?** • Yes/no

Provide details.

*Fill in here*

*Yes, Vietnam has the following law/strategies in place:*

---

<sup>3</sup> Decision No 130/2007/QĐ-TTg: Article 6 Item 1 Point a

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- *(1) National Orientation Strategy for Sustainable Development in Vietnam (Vietnam Agenda 21) (2004), (issued under the Decision No. 153/2004/QĐ-TTg dated 17/8/2004 of the Prime Minister). The objectives of the Strategy is harmonious coordination of economic growth, social progress and equality and environmental protection to satisfy the needs of the current generations without compromising the capacity of future generations. The Strategy is also aimed to fully implement the international conventions and clearly state that it is necessary to promote, educate, disseminate and improve community's awareness for effective and comprehensive implementation of international conventions that Vietnam has acceded.*
- *(2) National Strategy for Environmental Protection until 2010 and vision toward 2020 (2004) (issued under Decision 256/2003/QĐ-TTg dated December 02, 2003 by the Prime Minister). This Strategy has fundamental tasks on the environmental protection included: (i) Pollution prevention and control; (ii) Remedy seriously environmental pollution and degradation; (iii) Protection and sustainable exploitation of natural resources; (iv) Environmental protection and improvement of focal areas and (v) Nature and biodiversity conservation.*
- *(3) Strategy for Forestry development in 2001-2010 (2002) This Strategy was approved by MARD under Decision No. 199/QĐ-BNN-PTLN dated January 22, 2002 with the fundamental contents as follows: (i) Regarding to environment, to increase forest coverage to 43%; (ii) Regarding to economy, to export forest products of 2.5 billion USD (iii) Regarding to society, to involve about 6.0 to 8.0 million labourers in forestry production and (iv) Regarding to forest structure to 2010: 6 million hectare protection forests, 2 million hectare special-use forests and 8 million hectare production forests. Environmental protection law,*
- *National REDD (Reduced Emissions for forest Degradation and Deforestation) strategy. This strategy is currently under development and will focus on a nationwide REDD implication*
- *Energy efficiency law and strategy National Strategic Program on Energy Saving and Effective Use of energy (No: 79/2006/QĐ-TTg) provides direction for the national energy saving program. It covers*
  - a) *Activities on encouraging, making propaganda, science and technology and compulsory forms for harmonizing activities on energy saving and effective use in society.*
  - b) *The Program getting the overall goals on total energy saving amount, reducing, to some extent, investment cost for development of energy supplying system, bringing socio-economic benefit. At the same time, contributing to environmental protection, rationally exploring energy source for sustainable socioeconomic development.*

*The Specific targets are:*

- *Making efforts to save from 3% to 5% total energy consumption amount in the whole country period of 2006 - 2010 and from 5% to 8% total energy consumption amount period of 2011 - 2015 against the existing forecast on energy development and socio-economic development at base case, on the basis of the following contents:*
  - a) *Establishing and putting model of managing energy saving and effective use in operation including activities of state administration, management in enterprises, in buildings and social life:*
    - *2006 - 2010 period: completing the establishment and issuance of legal framework and documents in accordance with under-law documents related to*

*energy saving and effective use. Drafting contents then submitting for consideration of National Assembly on issuance of Law on Energy Saving and Effective use in the period of 2008 - 2010. This has resulted in a national energy efficiency law, enacted in 2010.*

- *Establishing model for control of Energy saving and effective use to apply to practical activities of 40% key energy consumers (enterprises) in the whole country for the period of 2006 - 2010; of 100% key energy consumers (enterprises) for the period of 2011 - 2015 and then to small- and medium-sized enterprises.*
  - *Applying compulsory control in accordance with Vietnamese Construction Standards of “Energy saving and Effective use constructions” to 100% buildings to be constructed from 2006.*
  - *Period 2006 - 2010: completing the establishment of mechanism, policy and promulgation of energy tariff in accordance with trends of energy price policy of regional countries and of other countries in the world to reach target of energy saving and effective use.*
- b) Popularizing high-efficiency equipment and gradually replacing the lowefficiency ones, and then remove out-of-date equipment; reducing energy intensity in production; saving energy in all activities of social life.*
- c) Exploiting maximally capacity of equipment and means of transportation; minimizing fuel consumption in transportation, carrying out pilot model of using alternative fuel in some big cities and provinces, restricting gas emission volume of means of transportation and protecting environment.*
- *National Sustainable Development action plan 2011-2015. The new action plan for sustainable development has been submitted for approval*
  - *Climate related strategies*
    - a) A National Disaster Risk management strategy to 2020. This strategy has already been finalized and is currently implemented*
    - b) A climate change strategy, this strategy will focus on the science, monitoring (GHG and general climate patterns) and national capacity building*
    - c) Green growth/development strategy, this strategy focuses o:*
      - *Internalizing environmental and social externalities into the economy. The aim is to “green” the economy. The overall performance will be measured in green GDP*
      - *Lowering current high emission patterns and targets. The focus is on reducing GHG emission as opposed a 2020 business as usual scenario*
      - *Develop investment and green growth strategies aiming at generating green employment and a viable and competitive green economy*



**21. What is the general political process for the formulation and implementation of new / amended legislation on environmental and climate issues?**

Provide details on the involved institutions and the overall process and key requirements for approvals.

*The Law on legislative processes (No. 17/2008/QH12 passed on June 3, 2008) regulates all aspects of the legislative process. According to Article 23 in Chapter III, proposals for new legislation or for amendments to existing legislation, understood as laws or ordinances, can be made to the National Assembly Standing Committee by government agencies (cơ quan), organisations (tchc) and MPs. Following this, there are six key stages in the legislative process as detailed in Chapter III of the Law on Law.*

*Step 1 involves the drawing up of the legislative agenda. This includes an agenda for the full term of the parliament (i.e. a five year legislative agenda), which is agreed at the second session of the new parliament. This is then broken down into a series of yearly agendas, with each agenda for the year agreed at the first parliamentary session of the year previous to which it is due to be implemented.*

*Step 2 marks the beginning of the drafting process with the appointment of a lead executive agency to take responsibility for the drafting process and a drafting committee. The lead executive agency is often a ministry while the drafting committee typically includes representatives from a number of organisations and hence will be broader than the lead agency. The drafting committee will often include a representative of the relevant specialist committee of the National Assembly, of which there are nine). With the lead executive agency overseeing the work of the drafting committee, step 2 also includes research and consultation with outside bodies to assist with working up a first draft of the relevant piece of legislation. Once the draft is ready it is required by law that it is posted on the website of the lead executive agency for public comment.*

*Step 3 begins when a first draft of the relevant piece of legislation is ready for appraisal. It is in preparation for step 3 that the lead executive agency responsible for overseeing production of the draft law, i.e. usually a ministry, passes the draft law to the relevant National Assembly specialist committees or the Nationalities Council. In relation to any piece of legislation, the National Assembly Standing Committee will assign the most appropriate specialist committee as 'lead committee' to appraise the draft. Often, more than one National Assembly committee is involved in the appraisal process but there will always be one 'lead committee'.*

*Step 4 involves the National Assembly specialist committee, which has been appraising the draft law, submitting a report to the Standing Committee of the National Assembly. This must happen at least seven days before the next session of the National Assembly. At this stage, the specialist committee's report and a copy of the draft law – as it presently stands – is also posted on the National Assembly website for comment. This includes both invited 'official' comment and uninvited 'open' comments. Based on the specialist committee's report and any other comments received at this stage, the National Assembly Standing Committee then advises the lead executive agency/drafting committee of any further changes to the draft law required before it can be resubmitted to the National Assembly. In theory, this often happens a number of times.*

*Step 5 is where amendments to the draft law are made and where the revised law is returned to the National Assembly hopefully to be passed. It is also at this stage that the Committee on Law, assisted by the Department of Law, which belongs to the National Assembly office, carries out its own checks to ensure that the new piece of legislation is consistent with the constitution and does not contradict any other pre-existing laws.*



**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

*Step 6 is the final stage in the legislative process and involves the issuing of an order by the President announcing the completion of a new piece of legislation.*

*Hence, there is a legislative process in place through which all relevant laws are passed.*

**22. Are there stakeholder consultations included in the policy making processes?** Yes/no

If yes, specify what type of stakeholders (e.g., environmental, business, academia/research, etc.) are involved, in which relevant areas (e.g., climate change policy, energy, industry, and waste management) consultation processes are taking place, if they are voluntary or mandatory, and at which point within the policy making process they take place.

*Fill in here*

*Yes, there are possibilities for stakeholders to express their view (see above). Furthermore stakeholder consultation is mainstreamed under Vietnamese law.*

*The Resolution of the 5th Plenum of the 9th Party Central Committee in 2002 in relation to continually renovating mechanisms and policy, and encouraging and promoting the development of the private economic sector (the 5th Central Resolution, for short) states the need to promote “the role of the Vietnam Chamber of Commerce and Industry and other business associations”. In 2005 this provision was codified in Decree 161/2005/ND-CP of the Government (dated 27 December 2005) that provides details and guidelines on the implementation of the Law on Promulgation of Legal Instruments. Article 27 of this Decree specifically defines the role of VCCI in the process of promulgation of legal instruments: “With respect to draft project documentation and draft legal instruments in relation to the rights and obligations of businesses, ministers and heads of ministry-equivalent bodies, heads of offices directly under the Government that are in charge of drafting shall forward drafts to the Vietnam Chamber of Commerce and Industry for gathering enterprises’ comments thereon. Within the period of twenty (20) working days from the receipt of any draft project documentation or draft legal instruments, the Vietnam Chamber of Commerce and Industry shall solicit enterprises’ opinions, then make a report to the Ministry of Justice, the Prime Minister’s Office, Ministries, ministry-equivalent bodies and offices directly under the Government which are in charge of drafting.”*

**23. Is there climate-change related legislation in force that requires regular periodic reporting from entities in different sectors?** Yes/no

Provide details on key aspects of the legislation and the reporting requirements.

*Yes, **Legal Provisions in Environmental Protection Sector.** The LEP provides control of air emission in general:*

*Organizations and individuals engaged in production, business and service activities that emit dust and gaseous wastes shall have the responsibility to control and treat dusts and air emissions to comply with environmental standards; Means of transport, machinery, equipment and construction works that release dust and gaseous wastes must be provided with filters and devices that reduce gaseous wastes to comply with environmental standards, and with coverings or other measures to minimize dust to comply with environmental standards.<sup>29</sup>*

The LEP prescribes two sets of standards for air emissions: <sup>30</sup>

- i) A set of standards for industrial air emissions and other air emissions released from domestic, industrial and medical solid waste treatment and disposal facilities and other waste treatment;*
- ii) A set of standards for vehicle emissions and other emissions released from specialized machinery and equipment.*

- ii) **Legal Provisions on Environmental Impact Assessment.** Legislation on environmental protection requires owners of 162 new or improved projects to prepare an environmental impact assessment (EIA), including many projects having GHG emissions, such as projects involving cement production (designed capacity from 300,000 tons of cement upwards), thermal power (designed capacity from 30 MW or more), forest harvesting (with an area of 200 ha or more), and cattle raising (with 1,000 cattle or more). In addition, the Minister of MONRE has jurisdiction to decide which projects must prepare an EIA report, besides those mentioned above.

*The NTP-RCC:*

- 24. Are there experiences gained from implementing environmental (or other, such as energy) policies in the past that may be particularly relevant when considering market-based instruments?** Yes/no

Provide details on key relevant achievements, challenges, and problems that were encountered in the process.

*Fill in here*

*Yes, The LEP provides that: transport planning should be in accordance with environmental standards and requirements. Motor vehicles, motorbikes and other motorised means of transport that are domestically manufactured, assembled or imported, must comply with the standards on vehicle emissions and noise levels, and must be inspected and certified by the registry office to meet environmental standards before use. The Ministry of Transport shall, in collaboration with MONRE, be primarily responsible for guiding the inspection and certification of compliance with environmental standards for motor vehicles, motorbikes and other motor means of transport.*

Vietnam is applying the EURO 2 Standard for all cars and motor vehicles as of July 2008.<sup>41</sup> The EURO 2 Standard is one of the European emissions standards that defines the acceptable limits for exhaust emissions of new vehicles sold in EU member states. For each vehicle type, different standards apply.

The Law on Land Road Traffic 2001 provides that:

*The State adopts the policy of prioritizing the development of mass transit and restricting the use of personal transportation means in big cities.*

The Law on Civil Aviation of Vietnam 2006 provides that:

*Airplanes in operation should be in compliance with requirements of environmental protection for airplanes and engines of airplanes; exploitation of airplanes, airports... should meet requirements of technical standards of noise, emission and other environmental standards.<sup>43</sup>*

**Agriculture and Forestry.** The Ministry of Agricultural Development has developed:

1. *Forest development strategy, this covers the overall management of forest resources. The strategy aims to increase forest cover to 42% (from 38% when the strategy was initiated). It covers as management of national parks, biodiversity conservation, rehabilitation efforts, development of production forest to meet furniture – and pulp industry development targets.*
2. *New Rural Areas development strategy . The general objectives of the overall and long-term objective of the agricultural and rural sector in this period is to build up a agriculture and forestry production that is large scale, modern, efficient and sustainable, and that have a high productivity, high quality and competitive based on the application of advanced science and technology achievements so that they are able to meet the domestic and export demand. The specific objectives to 2010 are*

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

1. To achieve a growth rate of 4-4.5%/year for agricultural value, GDP: 3-3.5%;
2. To achieve an average growth rate of the rural economy of 7.5 - 8%/year;
3. To expand the forest coverage rate to 43 -44% of the total area of natural forest, in which, the percentage of coverage of specialized and preventive forest would occupy 43-45% of the total forest area.
4. To ensure national food security and respond to the diversified needs of the population in terms of food and food stuffs; pay an especial interest to the ethnic minorities in the mountainous and remoted areas. To obtain a production volume of 45 million tonnes for seed plants; in which rice represents 39 million tonnes and maize 6 million tonnes.
5. To highlight the comparative advantage that has been established, to promote and increase the export effectiveness and bring the total value of agro-forestry export to 7 billion USD by 2010 (with an average growth rate of 12%/year). 6
6. To take advantage of the existing potentials, combined with the application of new sciences and technologies in order to develop a variety of plants, animals which will substitute import; to exploit the domestic market with regards to the following products: cotton, tobacco leaves, maize, soybeans, vegetable oil, raw materials for the production of paper, milk..
7. To achieve a rural economy with the following structure: . Agriculture: 50%; . Industry, small industries and services: 50%; 8 The value per ha of agricultural land should be 30 million VND/year;
8. GDP per capita in the rural area should be the double of that of the year 2000;
9. Decrease the number of labour in the agricultural sector to 50%

**Experiences with environmental (or other) trading schemes to meet policy objectives**

- 25. Are there environment-related trading systems at the national or regional level?** Many/  
This could for example include renewable energy (green) certificate schemes, some/none  
energy efficiency (white) certificate schemes or SO<sub>2</sub>-trading schemes etc.  
Provide details.

*none*

- 26. If yes, is there a clearly defined national/regional entity responsible for their regulation and supervision?** Yes/no/not applicable  
Provide details on institutional setup.  
*Fill in here: none*

- 27. If yes, are there important experiences emerging from implementing existing trading schemes?** Yes/no/partly  
Provide details on key outcomes, challenges, and problems that have been encountered in the process.  
*Fill in here, CDM*

**28. If yes, does the country have experience in allocation and/or auctioning of permits/tradable certificates?** Yes/no/partly  
Provide details.  
*Fill in here: none*

**29. What are the steps required in the policy making process to establish and implement a market mechanism?**  
Provide details on which institutions need to be involved and what the process is (e.g. approvals and documentation requirements).  
*Fill in here*

*The establishment of a market based mechanism will require the following:*

- *an assessment of what possibilities exist for the development of a market based mechanism for GHG emissions. This includes:*
  - i. Level of voluntary emission reductions and an assessment of economic implications*
  - ii. what alternative exists (Carbon tax, legalizations, incentives)*
  - iii. link and align Monitoring, Reporting and Verification System for GHG emission rights trade.*
  - iv. A Vietnamese based market based mechanisms:*
    - 1. Cap and trade*
    - 2. Quota setting*
    - 3. Trading mechanism*
  - v. Sustainable development appraisal of the proposed market mechanism.*
  - vi. Consultation with key stakeholders and review*
  - vii. Final draft and proposed legalization process.*

**30. Are there any *research studies* on the use of market-based mechanisms for GHG mitigation in the country?** Many/  
some/none  
List key studies, dates and who conducted them and indicate if they are publicly available.  
*Fill in here: some*

**31. Have any *tests or pilots* for market-based mechanisms for GHG mitigation been undertaken in the country?** Many/  
some/none  
List and provide details incl. geographic scope, coverage – sectors and instruments scale, stage of implementation, domestic implementation and funding partners, etc.  
*Fill in here: none*

- 32. Is there any (further) interest in piloting new market instruments? If yes, which type of market instrument and which sector could be considered potentially suitable for implementing a pilot?** Yes/no

Provide details below.

*Fill in here Yes,*

*MPI with support of UNDP (through one UN) has allocated resources to assess a potential cap and trade system.*

### Institutions for ensuring compliance with regulation

- 33. If a national climate strategy exists, does it include reporting and/or monitoring provisions?** Yes/no/partly

Provide details, e.g., on milestones, evaluation team, success indicators, etc.

*Fill in here*

*The strategy is currently under development. And Yes, there will be a MRV systems established. Compliance issues need to be addressed. There is no firm plan yet. The MRV system needs to be further designed and might have to be audited*

- 34. If monitoring provisions exist, which entity is assigned to implement and enforce them?** XXX

Provide details on the institution and the process.

*Fill in here*

*No monitoring yet. MONRE-Department of Hydrology, Metrology and Climate Change (see <http://www.noccop.org.vn/>) will be most likely responsible for the monitoring.*

*A environmental law enforcement system exist (environmental police and juridical system) whom might become responsible for the enforcement*

- 35. Do other relevant policy frameworks/strategies (e.g., energy, air pollution) include reporting and/or monitoring provisions?** Yes/no/partly

Provide details.

*Yes, the Law on Environmental Protection does under **Legal Provisions on Environmental Impact Assessment**. The legislation on environmental protection requires owners of 162 new or improved projects to prepare an environmental impact assessment (EIA), including many projects having GHG emissions, such as projects involving cement production (designed capacity from 300,000 tons of cement upwards), thermal power (designed capacity from 30 MW or more), forest harvesting (with an area of 200 ha or more), and cattle raising (with 1,000 cattle or more). In addition, the Minister of MONRE has jurisdiction to decide which projects must prepare an EIA report, besides those mentioned above.*

*One significant element of an EIA report is to assess in detail specific methods to mitigate adverse effects to the environment in general and air in particular. Projects not subject to an EIA report should make written Environmental Protection Commitments, describing items like raw materials and fuel to be consumed, categories of wastes to be generated (including air emissions), and relevant measures for waste reduction and treatment to comply with environmental standards*

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- 36. Do national/sub-national institutions exist to enforce activities such as permitting, validation of reports, verification, supervision for existing regulations, auditing (e.g., air quality or waste)?** Yes/no/partly
- Provide details  
*Fill in here*

**Previous capacity building activities related to GHG mitigation and market instruments**

- 37. Have any capacity building activities focusing on institutional setup been undertaken in the past, or are activities ongoing in this area?** Many/some/none
- List and provide details including scope, coverage, domestic implementation and funding partners, etc.  
*Fill in here*

## (ii) Measurement, reporting and verification (MRV)

### National (and sub-national) GHG inventory and GHG accounting

- 38. Are historical GHG emissions data available per sector and per gas for recent years?** Yes/no

Provide details.

*Fill in here*

*Yes, as presented in the Second National Communications. However these remain coarse and need to further refine.*

- 39. Is there a national system in place for the estimation of GHG emissions by sources and removals by sinks?** Yes/no

Provide details.

*Fill in here*

*No, the system is currently under development with JICA support. It is foreseen that by 2012 an operational MRV system is ready. Aims is to generate at least tier 2 IPCC level data*

- 40. If yes, is the national GHG accounting methodology compatible with the 2006 version of the IPCC guidelines for national greenhouse gas inventories?** Yes/no/partly

Comment.

*Yes, the national GHG emission accounting system plans for at least Tier 2 IPCC data requirements*

- 41. Are there sub-national (e.g., city, state or province) systems in place for the estimation of GHG emissions (reporting/data collection) by sources and removals by sinks?** Yes/no

Provide details.

*Fill in here*

- 42. What is the frequency of reporting / data collection by the different sectors?** 0

Provide details and comment, including entities responsible for reporting and data collection.

*Fill in here*

*So far this has not happened.*

- 43. What are the auditing procedures for the national greenhouse gas inventory (and/or for sub/national GHG data collection if appropriate)?** none

Provide details and comment.

*Fill in here*

*The green house gas inventories generated so far are tier 3 IPCC and for the use in the national communications. No specific auditing procedures are in place,*

44. Are there GHG inventories or frameworks (e.g., the GHG Protocol) used by government or private entities to account, quantify and manage their GHG emissions? Yes/no/maybe

If yes, provide details and comments on the entities undertaking such accounting exercises and the tools used.

*Yes, there is GHG monitoring protocol under development*

*no*

### Analysis of the national (or sub-national) mitigation potential

45. Are there any national (or sub-national) scoping studies on energy consumption, energy efficiency, GHG emission, clean production or mitigation potentials and costs available? If yes, for which sectors are they available? Many/some/none

List studies (with dates) and highlight general findings/conclusions.

*There is one national level exercise on the impact of:*

- *Modelling/Ecotax studies see:*
  - i. Willenbockel, Dirk (2010) *Impact Assessment Report of Draft Environmental Tax Law in Vietnam*. Report commissioned by Gesellschaft für Technische Zusammenarbeit, GTZ Hanoi Office.  
[http://www.macroreforms.org/index.php?option=com\\_alfadocman&Itemid=52](http://www.macroreforms.org/index.php?option=com_alfadocman&Itemid=52)
  - ii. CIEM, 2010. Final Report "Study into the Economics of Low Carbon, Climate-Resilient Development in Vietnam – Scoping Phase". Submitted to the Department for International Development (DFID)
- *Power generation:*
  - i. Impact on current energy policies and energy development in Vietnam from sustainability point of view", at Greening the Business and Making Environment a Business Opportunity Conference, Bangkok, Thailand 2007
  - ii. Khanh Q. Nguyen, 2006. Impacts of wind power generation and CO<sub>2</sub> emission constraints on the future choice of fuels and technologies in the power sector of Vietnam [Energy Policy Volume 35, Issue 4](#), April 2007, Pages 2305-2312
  - iii. Khanh Q Nguyen, 2005. Long term optimization of energy supply and demand in Vietnam with special reference to the potential of renewable energy. PhD dissertation
  - iv. **Pham Khanh Toan, Nguyen Minh Bao & Nguyen Ha Dien, 2010** Energy supply, demand, and policy in Viet Nam, with future projections. [Energy Policy](#) Article in Press
- *Forest and Peat land related emissions:*
  - i. *Hoang Minh Ha, Do Trong Hoan, M. van Noordwijk, Pham Thu Thuy, M. Palm, To Xuan Phuc, Doan Diem, Nguyen Thanh Xuan & Hoang Thi Van Anh, 2010. AN*



ASSESSMENT OF OPPORTUNITIES FOR REDUCING EMISSIONS FROM ALL LAND USES VIETNAM PREPARING FOR REDD FINAL NATIONAL REPORT

- ii. Duong Minh Vien, , Nguyen Minh Phuon, , Jyrki Jauhainen, and Vo Thi Guong, ?. CARBON DIOXIDE EMISSION FROM PEATLAND IN RELATION TO HYDROLOGY, PEAT MOISTURE, HUMIFICATION AT THE VODOI NATIONAL PARK, VIETNAM

- Agricultural related emissions:

- i. Nguyen Mong Cuong, 2010 Viet Nam Vietnam: Mitigate GHG emissions What benefit to Farmers? Research Center for Climate Change and Sustainable Development,

- Overall emissions/simple MACC curves:

- i. UNESCAP (U.N. Economic and Social Commission for Asia and the Pacific) and CIEM (Central Institute for Economic Management). 2009. Eco-Efficiency Indicators of Vietnam: An Analysis of Trend and Policy Implications, Final Technical and Analytical Report. Hanoi
- ii. Baumueller H., 2010, Building a Low Carbon Future for Vietnam: Technological and other Needs for Climate Change Mitigation and Adaptation, Energy, Environment and Development Program Paper (Chatham House), Vol. 09/02, pp. 1-33
- iii. ADB (2009) The Economics of Climate Change in Southeast Asia: A Regional Review, Manila: Asian Development Bank
- iv. World Bank, 2010. Climate-Resilient Development in Vietnam: Strategic Directions for the World Bank. See: <http://web.worldbank.org>
- v. MONRE, 2010. Second National Communication to the UNFCCC

Energy efficiency:

1. WorldBank/ASTAE, 2010, **Vietnam Expanding Opportunities for Energy Efficiency March 2010**

**46. Are expected emission abatement potentials per measure or sector described in the last national communication or in the national climate strategy (or elsewhere)?** Yes/no/partly

Provide details.

*Yes, the second national communication have detailed descriptions of potential emission cuts. However these require updating with more recent and more detailed monitoring results as data used are coarse.*

**47. Are there energy and/or emissions models developed at the national (or sub-national) level by the government or through independent research institutes?** Yes/no/partly

Provide details, e.g., who conducts such modeling exercises and whether results are publicly available?

*These are currently under development through a worldbank supported project (VINCLIP) and CIEM. More information is available in the CIEM report (See reference list above)*

**48. If yes, what are the gaps in these analyses?** XXX

Provide details if relevant.

*The CIEM reports provides an analysis of the current level of knowledge. Their analysis underlines that major data gaps exist. In particular for high energy intensity industry more assessment work is needed. The table below provides a more detailed update.*

PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity

No	Item	Data status		Data collection organizations
<b>I</b>	<b>Data collections</b>			
<b>1.1</b>	<b>Data needs for bottom up model (EFFECT)</b>	% available data (collection, analysis and calculation)	% unavailable data (pilot survey)	
<b>1.1.1</b>	<b>General data</b>	70%	30%	CIEM, GSO -MPI, Financial Economic Institute - MOF; NIAPP, IPSARD - MARD; IMHEN - MONRE
<b>1.1.2</b>	<b>Power sector</b>	97%	3%	IPSI, Energy Institute - MOIT; GSO - MPI
<b>1.1.3</b>	<b>Industrial data</b>	27%	73%	
	<i>Steel</i>	22%	78%	<i>IPSI - MOIT, CIEM, GSO - MPI</i>
	<i>Aluminum</i>	18%	82%	<i>IPSI - MOIT, CIEM, GSO - MPI</i>
	<i>Cement</i>	22%	78%	<i>IPSI - MOIT, CIEM, GSO - MPI</i>
	<i>Fertilizer (Ammonia)</i>	27%	73%	<i>IPSI - MOIT, CIEM, GSO - MPI,</i>
	<i>Petroleum</i>	41%	59%	<i>IPSI - MOIT, CIEM, GSO - MPI,</i>
	<i>Paper demand and production</i>	28%	72%	<i>IPSI - MOIT, CIEM - MPI</i>
<b>1.2.4</b>	<b>Transport, vehicle classes data</b>	33%	67%	Vietnam register; Institute of Institute for Development Strategy and Transport - MT; GSO - MPI
<b>1.1.5</b>	<b>Household sector</b>	25%	75%	CIEM, GSO - MPI;

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

				NIAPP - MARD
<b>1.1.6</b>	<b>Nonresidential data</b>	20%	80%	CIEM, GSO - MPI
<b>1.2</b>	<b>LULUCF</b>			
	<i>Land use, land use change, forest and agriculture</i>	<i>Land use, land use change and forest data for the whole country is available but GHG emissions from regional land use changes are not available and it should be estimated.</i> <i>Agriculture: most of data needed can be collected from GSO</i>		CIEM, GSO - MPI; MONRE; NIAPP - MARD
<b>1.3</b>	<b>IPCC guideline 2006</b>			
	<i>GHG emission from waste</i>	<i>The data is available for 1994 and 2000 only, it should be estimates the data updating following the 2006 IPCC guideline</i>		CIEM, GSO - MPI; IMHEN, VEA, DMHCC - MONRE; IPSI - MOIT
<b>1.4</b>	<b>Data needs for top down model (CGE model)</b>			
	<i>Hybrid input – output extended (including environmental expenditure) or SAM: add rows showing pollution from manufacturing</i>	<i>IO or SAM in 2007 or 2010</i>		CIEM, GSO - MPI

**Tools and skills for data management of a domestic trading system (and/or crediting system)**

**49. Are hardware and software available in the country to establish and manage emissions-related databases or other relevant databases (e.g., energy-related)?** Yes/no/partly

Provide details on the institutions where this is available and details of the available systems.

*Fill in here*

*Yes, institutions such as CIEM and IPSONRE are developing more detailed data bases. As this is relative recent trends, more*

**50. Are there any systems in place within the country that already allow direct electronic reporting to the government by companies or individuals of any kind of data, i.e., online access, email-forms, etc.?** Yes/no/partly

Provide details on the institutions where this is available and on the systems being used.

Fill in here

Yes,

- *Electronic banking; the better banks (HSBC Viet Nam, Techcombank, ANZ) are providing electronic banking services.*
- *E-governance. The State is now financing the e-Government program and allows businesses to participate through strengthening the public-private partnership (PPP) for e-Government." In 2008-10 the e-government program has created an e-mail system for staff as well as facilities for online conferences and administrative management. "Websites have started providing information while on-line public services. By 2015 network infrastructure will be completed and Government offices will be strongly encouraged to deploy e-governance in day-to-day work. This is partly supported by the Simplified Administration Project, or Project 30. Initiated in 2008 to rationalise administrative procedures and paperwork, the project has been begun at 10,000 communes, 700 districts, 1,300 provincial departments, and 400 ministry agencies and divisions so far. Project 30 will create a standard and efficient administrative system that will help e-government work efficiently.*

**51. Is there trained staff available to develop, operate emissions databases and to generate reports from the raw data?** Yes/no/partly

Describe.

Fill in her

*No, there is no staff currently employed by the GOV for these tasks. However, Vietnam is developing an IT human resource base and has a well developed human resources available in natural and biological science. Agencies which might play a role are:*

- *MPI-General Statics Office (GSO): this agency is responsible for gathering and analysing statistic*
- *MONRE- Department of Metrology, Hydrology and Climate Change → responsible for overall policy framework*
- *IPSONRE; work on developing an overall framework based on GSO data and ensure quality assurance systems are put in place*

**52. Are schools / institutions available to train staff in managing and processing the data?** Yes/no/partly

Describe.

Fill in here

*There are training centres and universities available. There are degrees being offered in climate and climate change relate subjects,*

**53. Is there capacity to build up a registry system to track and record transactions?** Yes/no/partly

If yes, provide details on institutional setup.

Fill in here

No, not yet.

**54. Are there gaps/needs in the area of data management and registry systems?** Yes/no/partly

Provide details if relevant.

Fill in here

Yes

### Independent verification for a trading (or crediting) system

**55. Are officially reported data verified by an independent institution?** Yes/no/partly

Provide any examples where data is reported by companies or individuals and where official verification is required.

Fill in here

No, there is currently independent verification system in place.

**56. Is there government experience with independent verifiers for environmental trading/crediting schemes?** Yes/no

Provide details.

Fill in here

Yes, within the framework of CDM, the government has worked with independent verifiers.

**57. Is there a national (or sub-national) accreditation entity/process that can accredit verifiers to audit company level emission reports?** Yes/no

Provide details on institutional setup and the accreditation processes in place.

Fill in here

No, so far all accreditation is done by foreign entities.

**58. If no, are there plans or ongoing activities to establish such an entity/process?** Yes/no

Provide details.

Fill in here

Yes, as part of the green growth strategy there will be emphasis on capacity building and developing a modern compliance based institutional framework

**59. Are ISO and/or other environmental standards applied in the country?** Yes/no/partly

Provide details on which standards are applied and in which sectors.

Fill in here

Yes, ISO and HACCP are applied successfully in Viet Nam. Most large scale exporting firms are ISO compliant. In particular in the food and consumer good industry

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- 60. If yes, is verification of compliance with these standards conducted by national experts or by international firms?** National/  
International/  
both

Describe how widely these standards are applied within the country and on the verification process, e.g., how many verification companies are operating within the country, if there are/have been obstacles to implementing the standards and the verification process, etc.

*Fill in here*

*Yes, there is*

- 61. Are there any other verification protocols in use?** Yes/no

Provide details on institutional setup and the accreditation processes in place.

*Fill in here*

*HACCP, Good Agricultural Practices, fair trade standards, UTZ KAPEH*

**Previous or related current capacity-building activities**

- 62. Have any capacity building activities that are relevant for - or contribute to - market readiness (e.g., for MRV, LEDS) been undertaken in the past? Or are activities in this area ongoing?** Many/  
some/none

List and provide details and funding partners, etc.

*Fill in here*

*Activities are on going*

### (iii) Understanding of the sector(s)

*This section is intended to give a more detailed insight into government capacity related to individual sectors. The user of this questionnaire can select the sectors that are relevant and important for GHG mitigation, depending on the national circumstances. While some countries will want to focus on one particular sector, others may choose to look at a number of sectors.*

*If you choose to evaluate only one sector, just add the name of the sector you have selected in the heading.*

*Example: '4. Cement sector: understanding of the sector'.*

*If you choose to evaluate more than one sector, copy the whole section 4 for each sector for which you wish to provide information, and insert it after the original section. Then include the respective names of the sectors you have chosen in the title as below.*

*Example:*

*4. Electricity sector: understanding of the sector*

*4. Transport sector: understanding of the sector*

*4. Iron and steel sector: understanding of the sector*

#### Overall data availability

**SPECIFY SECTOR:** *Iron and steel sector: understanding of the sector*

- 63. Rate each category on a scale from 0 (no data available) to 10 (data from all installations/ complete sector available).** Comment, including specifying whether data is available at national level (and/or sub-national) level.

Production/activity data	5
Energy consumption	8
Energy mix / used fuel types	6
GHG emissions	4

- 64. How do you rate the quality of available data?** 6

Rate on a scale from 0 (very poor) to 10 (excellent).

*Fill in here 7*

*Data are available but scattered. The GHG emission data collection remains limited and data are based on aggregated emissions*

- 65. Who provides the data on the sector? What is the frequency of reporting and what is the process for data collection?**

Provide details on the active players and the process.

*Varies per firm, sofar there is limited activity. With the establishment of the Vietnam sustainable Business council this might improve. The Vietnam steel sector is active as well and interested in pursuing green growth,.*

**66. What are the key challenges/gaps (if any) in the data itself, as well as in the collection process, particularly in the context of market instruments?**

Comment.

The issue is that the process has just started. Most of the enterprises are state owned (60%) however management is still somewhat old fashioned. Inter firm analysis show however that between companies using similar technology, significant potential exist for GHG emission reduction

**67. Is data provision (reporting) voluntary or mandatory?**

Voluntary  
mandatory

Comment.

*Fill in here*

*Voluntary, organized by the VSA*

**Determination of future scenario(s) and mitigation potential**

**68. Are scenarios of future *energy consumption* available for this sector (per fuel type)?**

Yes /no

No

**69. If yes, who prepared the scenario(s) and how do you rate the quality?**

Good/  
medium/  
poor

Provide information on how the scenarios were elaborated and by whom.

Give a rationale for your evaluation of the quality.

*Fill in here*

*N/A*

**70. If no, are activities on-going to generate such scenarios?**

Provide details and comment.

*Fill in here*

*No*

**71. Are scenarios of future *GHG emissions* by this sector available (per gas)?**

Yes/no

**72. If yes, who prepared the scenario(s) and how do you rate the quality? Provide information on how the scenarios were elaborated and by whom. Give a rationale for your evaluation of the quality.**

Good/  
medium/  
poor

*Fill in here N/A*

**73. If no, are activities on-going to generate such scenarios?**

Yes /no

Provide details and comment.

*Fill in here*

**74. Is an analysis of *energy savings* and/or *GHG mitigation potentials* (technical/ economic) and associated costs available for this sector?**

Yes/no/partly

Provide details.

*Fill in here*



**75. Are initiatives to reduce GHG emissions or energy use being implemented in the sector?** Many/some/none

Provide overview.

*Fill in here, no not yet. However an action plan will be developed which will require:*

- *Scenario development*
- *Potential savings*

*The sector sees it as important in terms of cost management, competitiveness and developing a better domestic and international image. However this is first such a case in Vietnam.*

## **Organization of the sector**

**76. Is there a defined national public entity responsible for this sector?** Yes/no/partly

If yes, provide details on the entity and overview of its mandate.

*Fill in here*

*Yes, the Ministry of Industry and Trade. The ministry is responsible for the state management of the Industry and oversees the management of stated owned companies active in the sector. MOIT sets achievement targets for different sectors based on the SEDP and develops polices necessary to achieve these target s*

**77. What is the political process to establish new policies or adjust existing policies for the sector?**

Provide an overview of the general process necessary to implement new regulation in the sector.

*State administration agencies assume the following duties:*

- *Setting up programs and plans for standardization and product quality; drafting national policies on product standards; issuance of legal documents on product standards within the scope of their authority; and supervision and inspection on implementation of programs, plans and regulations on product quality standards.*
- *Establishment of Vietnam standards, participation in the preparation of international standards, and recommendation on implementation of said standards.*
- *Product quality registration and granting of licenses.*
- *Certification of products and quality systems, and accreditation of testing laboratories.*
- *Quality inspection of export and import products.*
- *State inspection on product quality and disposition of cases violating the act within their powers.*
- *Guidance on organisational structure and profession to the organisations of ministries and institutes for quality management.*
- *Dissemination of information on standardization and product quality.*
- *Promotion of organised training on standardization and product quality.*

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- *International cooperation in the fields of standardization and product quality.*

*The relevant legal structure consists of three levels: the highest level is the fundamental law (or ordinance/decreed) issued by the premier or cabinet; the intermediate level is the ministerial decision (MOSTE and others) based on the fundamental law; and the lowest level consists of regulations issued by the Directorate for Standards and Quality - STAMEQ (executing ministerial decisions).*

- 78. Is there a business association representing the sector?** Yes/no/partly  
Provide name of the existing organization(s).  
*Fill in here yes, the Vietnam Steel Association*

- 79. If yes, is the business association involved in the areas of energy use, energy efficiency or GHG emissions?** Yes/no/partly  
Provide details.  
*Fill in here*

*The steel sector has started to monitor and disclose information as parts of efforts to green the sector. The cement industry is working towards similar initiatives.*

- 80. If yes, does the business association engage in data gathering activities?** Yes/no/partly  
Provide details.  
*Fill in here*

*Yes. The Vietnam Steel association is. Some activities are on going in other sectors as well, in particular cement and mining.*

- 81. Are there sector-specific barriers to GHG reporting, monitoring or GHG data collection?** Many/  
some/none  
Provide details on key barriers and order according to severity. Identify key gaps.  
*Fill in here*

*So far none have been identified*

#### (iv) Non-governmental actors

The primary focus of this questionnaire is on public, i.e. government, and capacity. However, the expertise of relevant non-governmental actors is essential to enable effective and efficient implementation of GHG mitigation activities, especially of market based instruments. This section therefore supports the evaluation of this capacity to allow governments to assess the overall situation and capacity building needs within their country.

#### Awareness

- 82. How do you assess non-governmental actors' awareness of climate change and GHG mitigation?** Good/  
medium/  
poor
- Provide details.  
Fill in here

Some international active NGOs (like SNV-Netherlands) have been active in alternative sources of rural energy (particular biogas). Others have developed mangrove rehabilitation and small scale alternative energy development. Some national NGOs are active in the field of research and policy formulation.

Overall

- 83. If relevant, what is being done and/or would be needed to raise awareness?**
- Fill in here

MPI, with support of UNDP has developed an information, has developed an Education and Communication strategy. This strategy is currently being implemented.

#### Data availability

- 84. Is there a system for GHG accounting or monitoring at source/company level available in the different sectors?** Yes/no/partly
- Provide details  
Fill in here

Partly:

- Rural energy: SNV is working on PoA/Sectoral CDM initiative for rural energy which has national scope.
- Steel sector. There is some work commencing in the steel sector by UNIDO to monitor resource use efficiency, these provide significant insight in difference between firms (30% difference in terms of emissions per unit product). This could provide some insight in early gains.

- 85. Have handbooks, templates, toolkits, spreadsheets or other guiding documents on GHG data been produced?** Yes/no/partly
- Provide details on the type and coverage of the documents/tools as well as publishing institution.  
Fill in here: no, there are no specifically Vietnam focussed documents or tools are available.

**86. Are other systems for company level emission monitoring in place, e.g., on air quality?** Yes/no/partly

Provide details on the type, and geographical and sectoral coverage of the systems.

*Fill in here*

*Yes, for major urban areas company level emission monitoring systems are being developed. Hanoi and HCMC will be covered. Some experimental monitoring is being developed in Hue. For HCMC, the Ho Chi Minh City Environmental Protection Agency (HEPA) under DONRE is operating an air quality monitoring and assessment system in Ho Chi Minh City (HCMC). The data collected through the automatic monitoring and telemetric network is being quality controlled and transferred for storage in the AirQUIS database*

*Furthermore, The Vietnam Clean Air Partnership (VCAP) was established on 27 March 2006 under the Decision of the President of Vietnam Association for Conservation of Nature and Environment (VACNE). VCAP's mission is to gather and mobilize individuals and social organizations in Vietnam to participate in activities serving the improvement of air quality to protect community health and contribute to the sustainable development of the country, the region, and world-wide*

*Environmental Impact assessments (EIA) are obligatory and require companies to report on their monitoring quality. However follow up needs to be strengthened.*

*Furthermore, Viet Nam's Environmental Monitoring System, the national Environmental Monitoring Network, managed by NEA of MOSTE, was established at the end of 1994. By 2002, the network had expanded to 21 stations, which carry out monitoring at 250 locations in 45 provinces. These locations include environmental hotspots such as industrial zones, large cities, and environmentally sensitive ecological regions. The parameters monitored are basic quality parameters for air, water, land, coastal environment, solid waste, noise, acid deposition, radioactivity and indoor working environment. Up to 2000 the monitoring frequency had been 4 times a year. In 2001 this was increased to 6 times per year. During 1994 – 2002 NEA under MOSTE collected data from monitoring stations, DOSTEs and other ministries and produces a series of State of Environment (SOE) Reports every year according to the requirements of the government. With the establishment of MONRE the responsibility of producing SOE reports now lies with the Department of Environment and data collection is a mandate of the Office of Data and Information under VEPA.*

Waste water treatment is an indicator as part of the Country's Social Economic Development plan and is monitored for industrial estates and large scale plants.

**87. If yes, are they voluntary or mandatory? Do they cover whole sectors? Are they related to companies as a whole or to individual installations?** Yes/no/partly

Provide details on how binding the systems are and how enforcement is secured, in case they are mandatory.

*Fill in here*

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

*EIA are mandatory and the required monitoring is as well which is a legal requirement, hence mandatory. Enforcement is the responsibility of the Vietnam Environmental protection agency and if there are criminal acts then these will be the authority of the Environmental Police.*

*The steel sector is working towards a voluntary initiative with support of UNINDO on a voluntary initiative. This focus is on the steel industry which is one the largest users of energy. Ultimately this will result in a voluntary target to reduce energy use/unit product.*

*Mandatory*

- 88. Are industries participating in voluntary international programmes for reporting GHG emissions (e.g., WBCSD/WRI GHG Protocols, Cement Sustainability Initiative, World steel, etc)?** Many/  
some/none

Provide details on programmes' and usage.

*Fill in here*

*Yes, The Vietnam Business Council for Sustainable Development (VBCSD) was launched in December 2010 to improve both domestic businesses' and international joint-ventures' environmental awareness, and their better contribution to sustainable development in Vietnam according to officials. The objectives are:*

- i. Business leadership – Doing good CSR in terms of society and environment for economic development*
- ii. Policy influence – Dialoguing and providing inputs to government for development of an enabling policy environment including changes in laws, rules, regulations if require*
- iii. Promotion of cooperation and partnership relations between business community and civil society, introducing demonstrating models/projects showing effective cooperation contribute to sustainable development*
- iv. Healthy and sustainable finance – Generating sufficient corporate financial support mechanism to serve the cause of sustainable development*
- v. Creating models for excellence in sustainable development, piloting models for further replication and multiplication*
- vi. Make an annual appraisal book highlighting the efforts, achievements, shortcomings and plan for next year*
- vii. Conduct studies through consultants to assess current scenario, identify benchmarks and gaps, suggest ways and means for improvement*

*Key activities are Communications and awareness raising, Training, Research and International Cooperation*

**Contact information**

Mr. Nguyen Quang Vinh

General Secretary

[contact@vbcsd.vn](mailto:contact@vbcsd.vn)

**Application of quality management systems**

- 89. Does industry apply quality management systems, such as ISO 9001 and 14001?** Yes/no/partly  
Comment, including specifying which industries.

*Fill in here*

*Yes, key companies have successfully applied for certification in the cement industry*

### **Technological capacity at source level**

- 90. Is measurement equipment (e.g., scales, flow meters) available for measuring of necessary data (emissions, energy)?** **Yes/no/partly**

Describe the situation of average companies in the sector.

*Fill in here*

*Yes, larger sized company have access or already monitoring resource utilization as required under ISO 9000 and 14000. The use of software is increasingly more important and most large sized companies have automated operation systems. Often the software for data collection and analysis as well as the monitoring of resources is readily available. However significant differences between firms exist.*

- 91. Are schools/institutions available to train staff in operating measurement equipment and in processing the data?** **Yes/no/partly**

Describe.

*Fill in here*

*Yes, Viet Nam has a well established network of university focussing on environmental technology and natural resource management. Most of the science behind Green house gasses and emission monitoring are understood.*

### **Capacity of financial institutions**

- 92. Are there local/sub-national facilities to finance efficiency and GHG reduction projects?** **Many/some/none**

Provide details.

*Fill in here*

*Yes, leading financial institutions providing loans to energy efficiency and renewable energy initiatives. This includes:*

- *Dragon capital has established the Mekong Brahmaputra Clean Development Fund L.P. The fund will make Investments that meet the "Triple Bottom Line" principles of "People, Planet and Profit". These are sustainability values which ensure that each investment has a positive impact on the environment and contributes to sustainable development.*
- *CLEAN ENERGY INVESTMENT DEVELOPMENT CORPORATION, A Hanoi based investor*
- *The International Finance Corporation (IFC), a member of the World Bank Group, and Statkraft Norfund Power Invest AS (SN Power) have developed a renewable energy investment fund to fund alternatives to fill the gaps in Vietnam's electricity demand. The joint development agreement is designed to enable IFC, acting through IFC Infra-Ventures, an early stage project development fund for International Development Association (IDA) countries, and SN Power to develop an investment strategy, policy, and guidelines to address Vietnam's growing demand for power.*
- *IFC in collaboration with TECHCOMBANK: The Vietnam Energy Efficiency and Cleaner Production (EECP) Financing Program aims to reduce greenhouse gas emissions and improve resource utilization by increasing available financing for cleaner production and*

*energy efficiency investments. The project works with selected commercial banks to build market strategies and tailored financing products, and targets enterprises looking to upgrade their production systems and technologies to achieve greater energy efficiency, cost savings, productivity, and environmental performance. The project also seeks to establish and expand a network of technical service providers to deliver EECF training and services to banks and enterprises nationwide. All project activities are supported through awareness raising efforts that help businesses recognize and understand the economic and environmental benefits of investing in energy efficiency and cleaner production*

**93. How do you rate the accessibility of their services?** Good/medium/poor

Comment.

*Fill in here, there have been some*

*Overall the coverage is not 100%. For smaller enterprise and micro-entrepreneurs access remains limited. As well some of the larger domestic sectors are not well covered.*

### **Support for compliance with regulation**

**94. Do sectoral associations have capacity to support the sector regarding compliance activities (e.g., achieving performance standards, monitoring of activities and reporting)? Rate on a scale from 0 (very poor) to 10 (excellent).** 1-10

Provide details on the activities in this area and a rationale for your evaluation. The overall evaluation should represent an average across relevant sectors. Mention here, if there are large deviations in individual sectors.

*Support from sectoral associations is 7. Reasons are:*

- *Recent work by UNIDA shows that business associations are interested. The Vietnam Steel Association has shown keen interest in bringing down GHG emissions and use resources more effective*
- *The established of the Vietnam branch of the WBCSD, shows that Business is interested and willing to comply to international standards*
- *IFC has indicated that it is approached by the cement industry in developing a green growth/low carbon response.*
- *The impact of ISO certification (9000 and 14000) which has been promoted by the government has had positive impact on disclosure of environmental relevant information and exposed companies to an environmental compliance regime.*

**95. Is there other national or international support available?** 1-10

Rate on a scale from 0 (very poor) to 10 (excellent). Provide details.

*Fill in here*

*8, This is supported by:*

- i. There is significant international support for Vietnam to develop the necessary infrastructure for a market based mechanism. In particular:*



**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

- a. A GHG monitoring system is being developed with support of JICA and USAID
- b. Low carbon and energy security studies are being implemented and supported by the World Bank, UNDP, DFID, JICA and AFD

ii. The Government of Vietnam, is committed to develop a low carbon/green growth strategy (38/TB-CPVP/2011 dated march 3 2011). MPI is conducting a scoping mission, established a drafting team

iii. MPI has established a climate task force which aims to broaden the scope and support for green growth and climate change mainstreaming.

**Previous capacity-building activities**

**96. Have any capacity building activities related to non-government actor expertise been undertaken in the past or are activities in this area ongoing?** Many/  
some/none

List and provide details including scope, scale, coverage, domestic implementation and funding partners, etc.

*The table below provides an update of on-going activities as of September 2010.*

Theme or sub-theme	Name of Project	Source of Funds	Implementing Agency	Funds allocated	Location
Mitigation-Energy	System Efficiency Improvement, Equitization & Renewables (P066396)	WB	MOIT	\$347,900,000	Quang Ninh
Mitigation-Energy	Viet Nam Renewable Energy (P103238)	WB	MOIT	\$239,400,000	
Adaptation-General	National Target Programme on Climate Change	GoV	MONRE	\$143,878,788	Nationwide
Strategy	Support for Response to Climate Change (2010)	JICA	MONRE	\$120,000,000	Nationwide
Financial Mechanisms-General	Viet Nam Climate Change Framework Loan	Europe/ODA	MOF	\$140,000,000	National
Adaptation-Natural Disasters	Natural Disaster Risk Management Project (NDRMP) (P073361)	WB	MARD	\$86,000,000	Nationwide
Adaptation-Mekong Delta	Finance the completion of the GMS Southern Coastal Corridor (GMS-SCC) in Viet Nam	ADB		\$75,000,000	
Adaptation-Urban	Asian Cities Climate Change Resilience Network (ACCRN)	Rockefeller Foundation		\$70,000,000	Nationwide
Mitigation-General	Mitigating the Impact of Climate Change and Land Degradation through IFAD's COSOP for Viet Nam	IFAD	GoV	\$56,500,000	
Mitigation-Agriculture	Mitigating the Impact of Climate Change and Land Degradation through IFAD's COSOP for Viet Nam	IFAD	GoV	\$56,500,000	
REDD	Mitigating the Impact of Climate Change and Land Degradation through IFAD's COSOP for Viet Nam	IFAD	GoV	\$56,500,000	
International Cooperation-General Measures	Sector Budget Support to NTP: Adaptation Component	Denmark/ODA	MONRE	\$40,000,000	National and Quang Nam, Ben Tre
Adaptation-Mekong Delta	Viet Nam Coastal Wetlands Protection and Development Project (P042568)	WB	MARD	\$39,100,000	Mekong Delta
Mitigation-Energy	DSM management & Energy Efficiency (P071019)	WB/GEF	MOIT	\$18,563,441	



**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

Theme or sub-theme	Name of Project	Source of Funds	Implementing Agency	Funds allocated	Location
Adaptation-Natural Disasters	Urgent investment in improving forecast capacity of hydrometeorology station for disaster preparedness, especial focus on storm forecast (including 12 sub-project)		MONRE	\$18,375,000	28 coastal provinces
Capacity Strengthening-Industry	Providing special loans for promoting cleaner production and energy efficiency in industry	VEPF		\$12,121,212	
Mitigation-Energy	Phasing out Incandescent Lamps through Lighting Market Transformation in Viet Nam	UNEP/GEF	MONRE	\$10,975,000	
Mitigation-General	Asia Least-cost GHG Abatement Strategy (ALGAS)	UNDP/GEF	MONRE-IMHEN	\$10,000,000	
Mitigation-Urban	Hanoi Urban Transport Project (P085393)	WB/GEF	Local Governments	\$9,800,000	Hanoi
Mitigation-Transport	Hanoi Urban Transport Development Project GEF component (P085393)	WB/GEF	Local Governments	\$9,800,000	Hanoi
Mitigation-Energy	Promoting Energy Conservation in Small and Medium-sized Enterprises (PECSME)	UNDP/GEF	GoV	\$5,500,000	
Mitigation-Energy	VN-GEF Rural Energy II (P080074)	WB/GEF	MOIT	\$5,250,000	
Capacity Strengthening-Energy		Switzerland/ODA	VNCPC	\$5,000,000	Mekong region
Capacity Strengthening-General	Strengthening national capacities to respond to climate change in Viet Nam, reducing vulnerability and controlling GHG emissions	UNDP	MONRE-IMHEN	\$4,660,000	National
Mitigation-Energy	System Efficiency Improvement, Equitization & Renewables Project (GEF Renewable Component) (P073778)	WB/GEF	GoV	\$4,500,000	National
REDD	Development of Management Information Systems for the Forestry Sector (FORMIS)	Finland/ODA	MARD	\$4,300,000	National
REDD	UN-REDD	Multi-donor	UN/Other	\$4,300,000	National
Mainstreaming	Mainstreaming CC into socio-economic development planing	UNDP	MPI	\$3,600,000	
REDD	Rehabilitation of Mangrove Forests in the Mekong Delta	Netherlands/ODA	MARD	\$3,314,000	Southern
Mitigation-Energy	Energy-Efficient Public Lighting	UNDP/GEF	VAST	\$3,000,000	National
Mitigation-Energy	Phase 1 DSM Program	Sweden/SIDA	GoV	\$2,800,000	
Mitigation-Agriculture	Transfer and Demonstration of Medium to Large Scale Biogas Digesters in Viet Nam (proposed)	ADB/GEF	MARD	\$2,600,000	
Mitigation-Industry	Waste Heat Recovery for Power Generation (HRPG) in Viet Nam's Cement Industry (proposed)	UNDP/GEF	MOST	\$2,600,000	
REDD	Sustainable Land and Forest Management	UNDP	MARD	\$2,300,000	
Adaptation-Forestry (mangroves)	Sustainable Management of Forest Ecosystems for Coastal Protection in Bac Lieu Province Project	Germany/ODA	Germany/ODA	\$2,240,000	Bac Lieu Province:
Adaptation-Energy	National Hydropower Masterplan Study – Stage 1	Norway/ODA	MPI	\$2,000,000	
REDD	The national trial PES policy (Decision 380 of the Prime Minister in 2008).	USA/USAid	Winrock	\$2,000,000	Lam Dong
Mitigation-Energy	Energy Efficiency Improvement in the Public Building in VN	UNDP/GEF	MOC	\$2,000,000	
Mitigation-Agriculture	Viet Nam National CFC & Halon Phase Out (P083593)	WB	MARD	\$1,500,000	Nationwide
Financial Mechanisms-General	Small Grants Programme of Global Environment Facility (b)	UNDP/GEF	Local Governments	\$1,500,000	

**PARTNERSHIP FOR MARKET READINESS: Expression of interest & Response to questionnaire on market readiness capacity**

Theme or sub-theme	Name of Project	Source of Funds	Implementing Agency	Funds allocated	Location
Mitigation-Energy	Wind Energy	Germany/ODA	Germany/ODA	\$1,400,000	Binh Thuan and Ninh Thuan Provinces
Capacity Strengthening-Community-level	Community based disaster preparedness project	Europe/ODA	VNRC	\$1,089,450	Coastal
Mitigation-Agriculture	Livestock Waste Management in East Asia Project (P079610)	WB/GEF	MARD	\$1,000,000	Regional
Mitigation-Energy	Viet Nam Energy Conservation Program	Netherlands/ODA	GoV	\$1,000,000	

Yes,