

*IGES New Market Mechanism Capacity Building  
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# **CARBON MARKET POLICY IN VIETNAM**

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- Expectations for future carbon markets

# Current status and development of market readiness in Viet Nam

## National climate policy

- National Target Programme to Respond to Climate Change (Approved by the Prime Minister's Decision No. 158/2008/QD-TTg dated 02 December 2008).
- National Climate Change Strategy (Approved by the Prime Minister's Decision No. 2139/QD-TTg dated 05 December 2011).
- National Green Growth Strategy (Approved by the Prime Minister's Decision No. 1393/QD-TTg dated 25 September 2012).
- Plan of GHG emission management; management of carbon trading activities to the world market (Approved by the Prime Minister's Decision No. 1775/QD-TTg dated 21 November 2012).

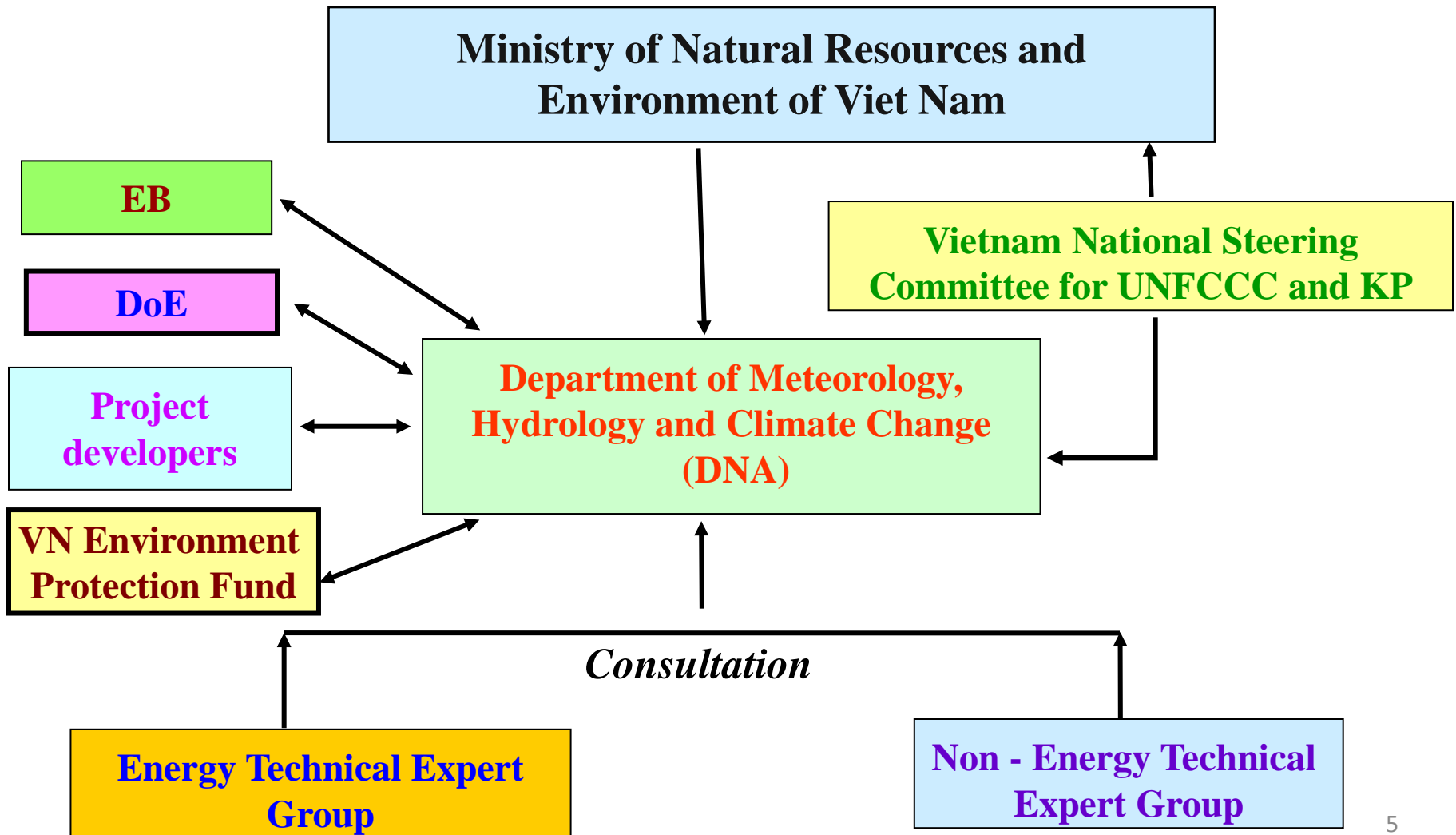
# Current status and development of market readiness in Viet Nam

## *Their main objectives*

- To assess climate change impacts.
- To strengthen human and national system resilience to climate change.
- To develop and apply adaptation measures.
- To develop the low-carbon economy, green growth.
- To mitigate GHG emission and develop the domestic carbon market and participate in the international carbon market.
- To ensure the national sustainable development goals.
- To join forces with international community to protect the global climate system.

# Current situation of domestic market

## Institutional arrangement for the CDM in Viet Nam



# Current status and development of market readiness in Viet Nam

- By 21 March 2013, Viet Nam has 224 CDM projects registered by EB with their estimated total emission reduction of about 120 million tCO<sub>2</sub>e in crediting period and received 7,808,199 CERs from EB.
- 7 PoAs.
- Voluntary carbon market is not developed in Viet Nam.
- Emission trading system is under development.

# Current status and development of market readiness in Viet Nam

- **Joint Crediting Mechanism (JCM):** Japan and Viet Nam are negotiating to sign bilateral cooperation document on **Low Carbon Growth Partnership** between the Japanese side and the Vietnamese side and **Rule of Implementation for the JCM**. This bilateral cooperation document will be signed soon.
- **International cooperation activities:** IGES, in cooperation with concerned Departments, organizations of Viet Nam, organized some workshops on **New Market Mechanism** in Viet Nam with a view to building capacity activities and promoting mitigation actions under **New Market Mechanisms** (such as JCM).

# Barriers for development of possible carbon markets in Viet Nam in FY2012

- The awareness and knowledge of carbon market issues among managers, policy makers, experts, enterprises, general public, private sector, NGOs are still limited.
- Lack of a national education strategy and programme on carbon market issues; skilled experts; experiences; financial resources for new market mechanism; an appropriate institutional and legal framework for promoting new carbon market.



# Barriers for development of possible carbon markets in Viet Nam in FY2012

- Carbon market issues are not still integrated into development strategy, programme and plan of concerned ministries, agencies and local authorities.
- Lack of experience and capacity to build new market-based mechanisms.
- Institutional arrangement for new carbon market is under consideration and preparation.
- MRV guideline, NAMAs plan are under development.

# Expectations for future carbon markets

- Propagating and raising the awareness for localities, agencies, organizations, enterprises and individuals for the development and implementation of carbon credit business activities in accordance with the of national and international provisions, regulations.
- Reviewing, assessing and completing the legal documents, policies for the development of possible carbon markets in Viet Nam.
- Developing mechanisms and policies to form and operate the domestic carbon market and participate in the world carbon market.
- Preparing NAMAs and other mitigations options.

# Expectations for future carbon markets

- Enhancing the capacity of policy makers, management staff of ministries, sectors and localities in managing carbon credit business activities.
- Encouraging private sector to participate in the new carbon market.
- Developing database for the management of carbon credit business under the Kyoto Protocol.
- Building regulations governing the programs, projects of carbon credit business outside the Kyoto Protocol.
- Developing rules of implementation and guidelines necessary for the implementation of the JCM.
- Developing international cooperation activities.

# Thank you very much for your attention!

*For more information, please contact:*

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