

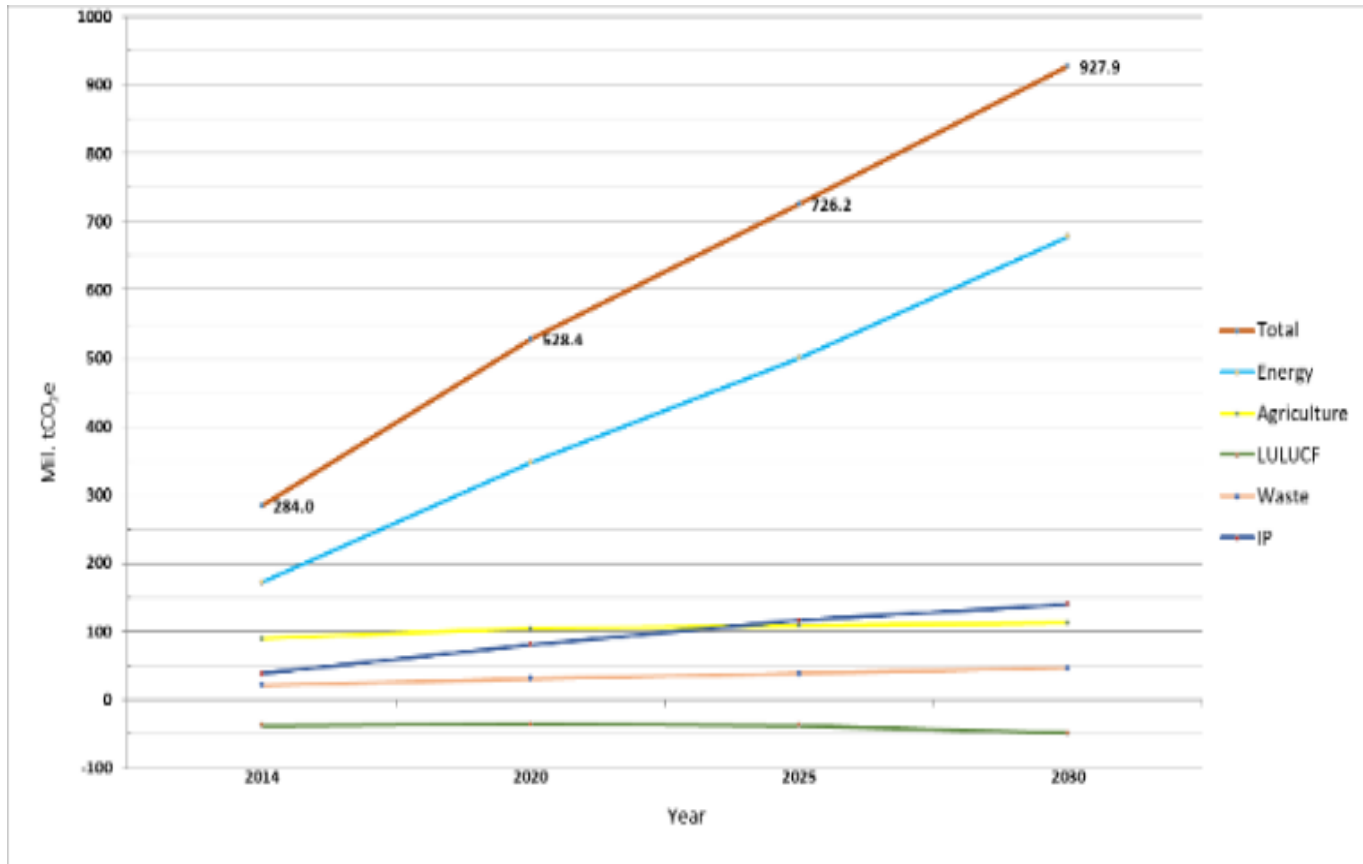


DEVELOPMENT OF VIET NAM'S CARBON MARKET: EXPERIENCES AND ROADMAP

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UPDATED NDC

Viet Nam reviewed and updated NDC, submitted to UNFCCC in 2020



Business as usual scenario

• **Unconditional target:**
Reduce 9% in 2030
compared to BAU

• **Conditional target:**
Reduce 27% in 2030
compared to BAU

NET ZERO TARGET

“...we will make use of our own domestic resources, along with the cooperation and support of the international community, especially from the developed countries, in terms of finance and technology, including through mechanisms under the Paris Agreement, in order to achieve net-zero emissions by 2050...”

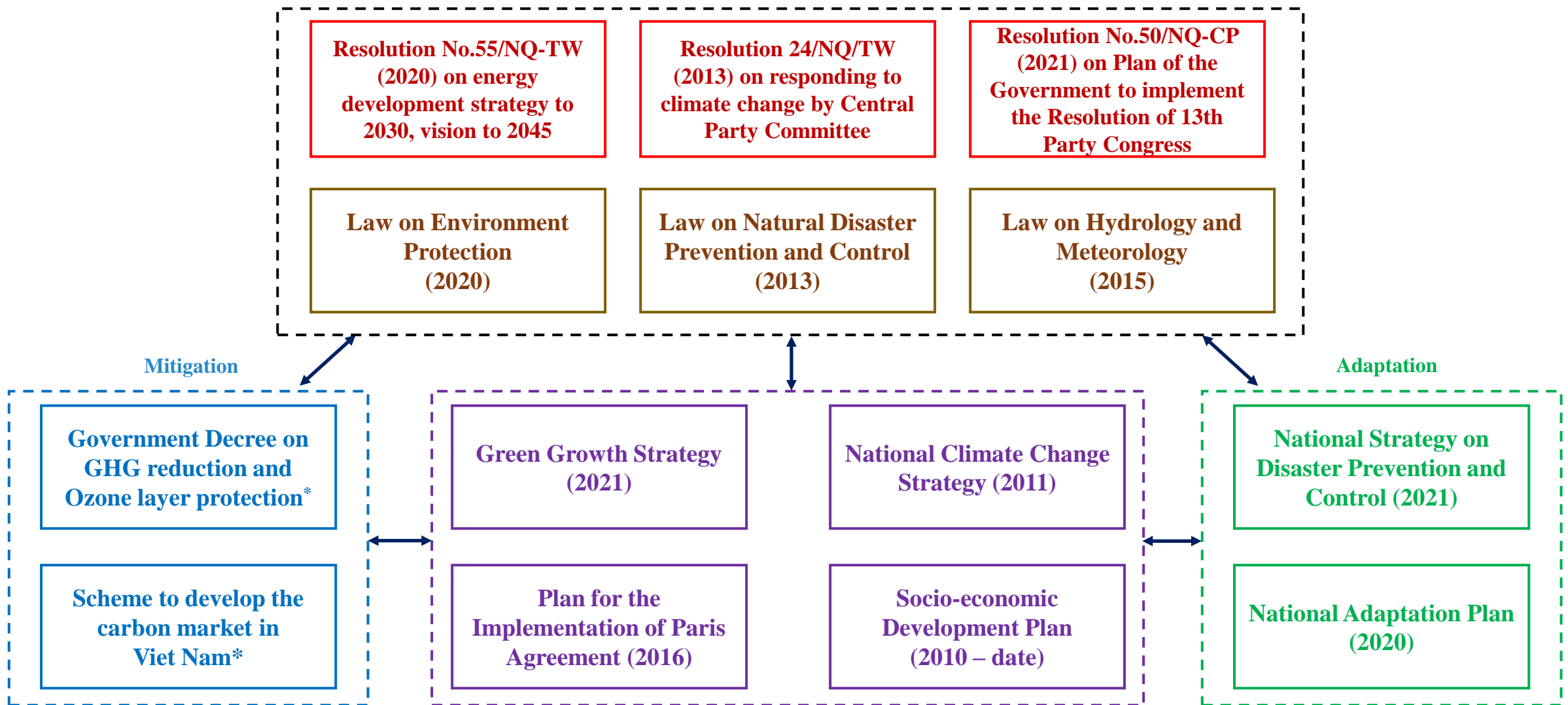


Prime Minister Pham Minh Chinh at High Level Segment of COP26



Opportunities to further develop carbon market and increase ambition in the next NDC

POLICY FRAMEWORK



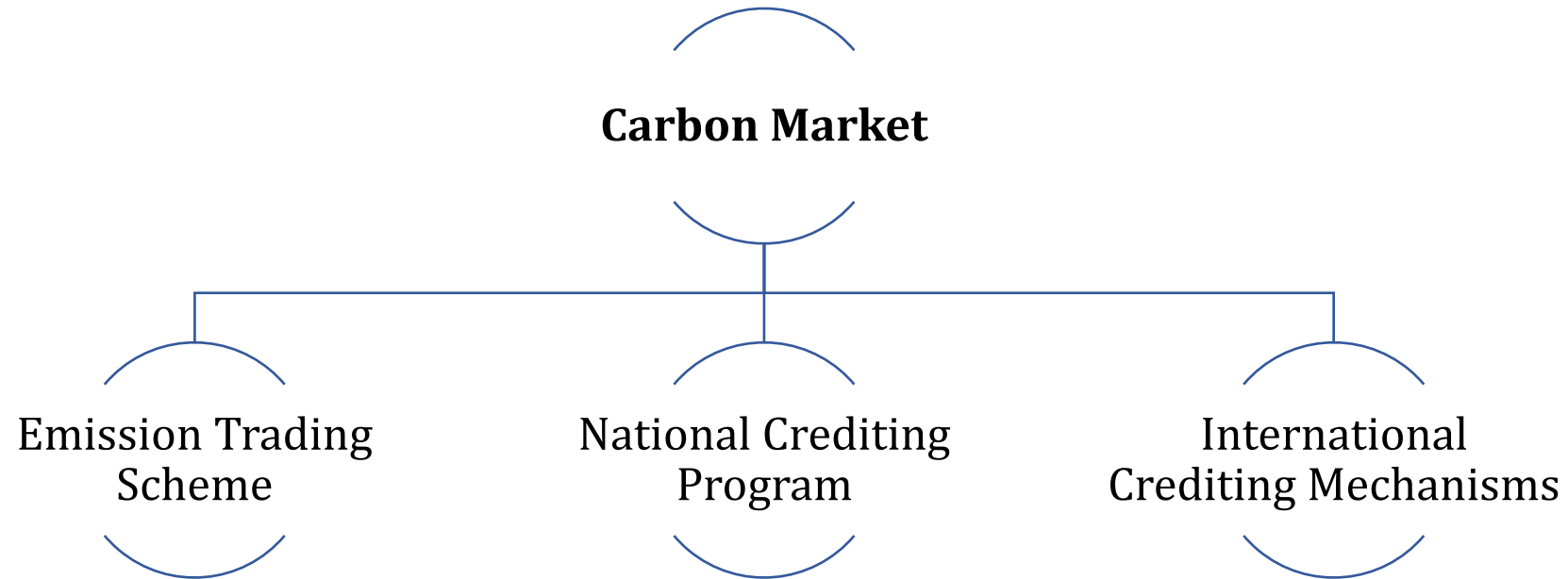
*: to be approved/updated by the end of 2021

VIET NAM'S CARBON MARKET

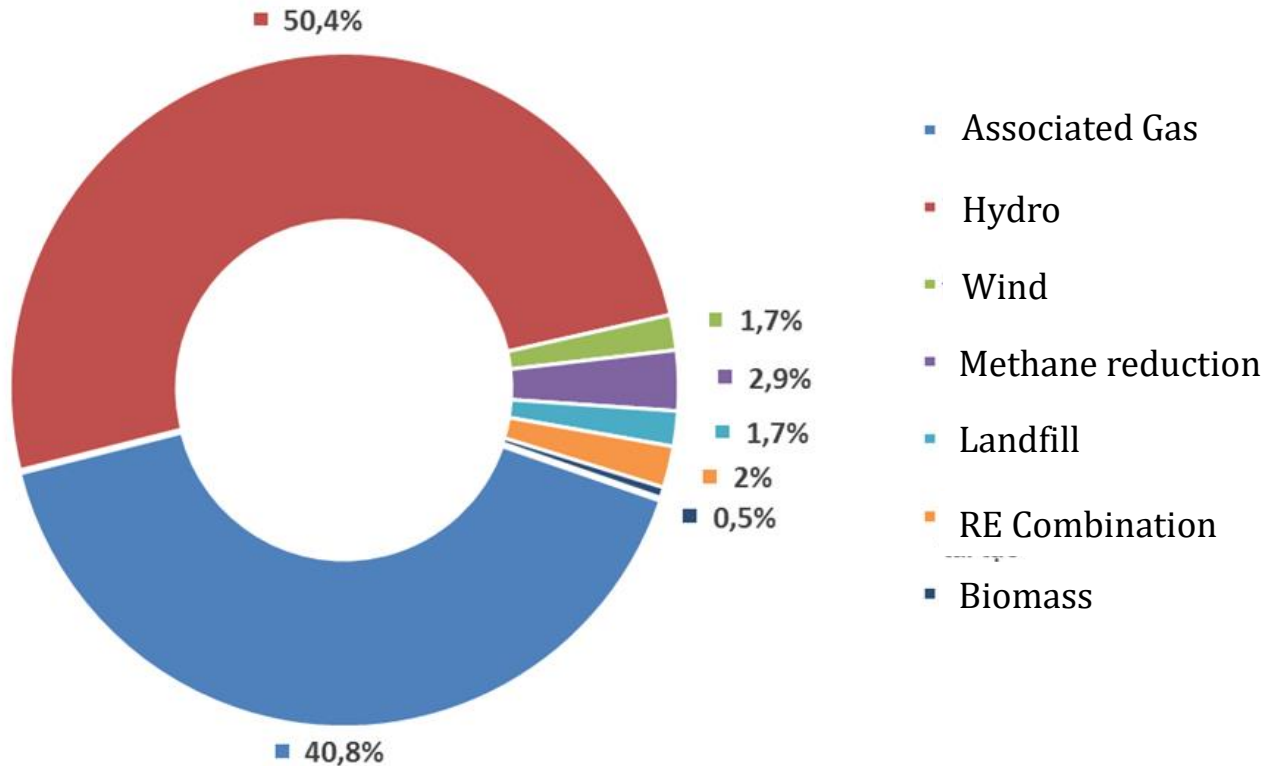
Developing a carbon market in Viet Nam to mitigate greenhouse gas emissions at **low costs** to businesses and society, promoting the development of **low-emission technologies**, contributing to **improving competitiveness** of Vietnamese private sector

Scope:

- Large GHG emitters
- Mitigation project developers
- Investors



CURRENT STATUS OF CARBON MARKET



CDM Project Portfolio

- Viet Nam is one of the countries that actively participates in the CDM, with 254 projects and 11 Programs (PoA).
- Viet Nam is ranked fourth in the world in terms of the number of registered CDM projects. Total GHG reductions is over about 140 million tons of CO2 equivalent

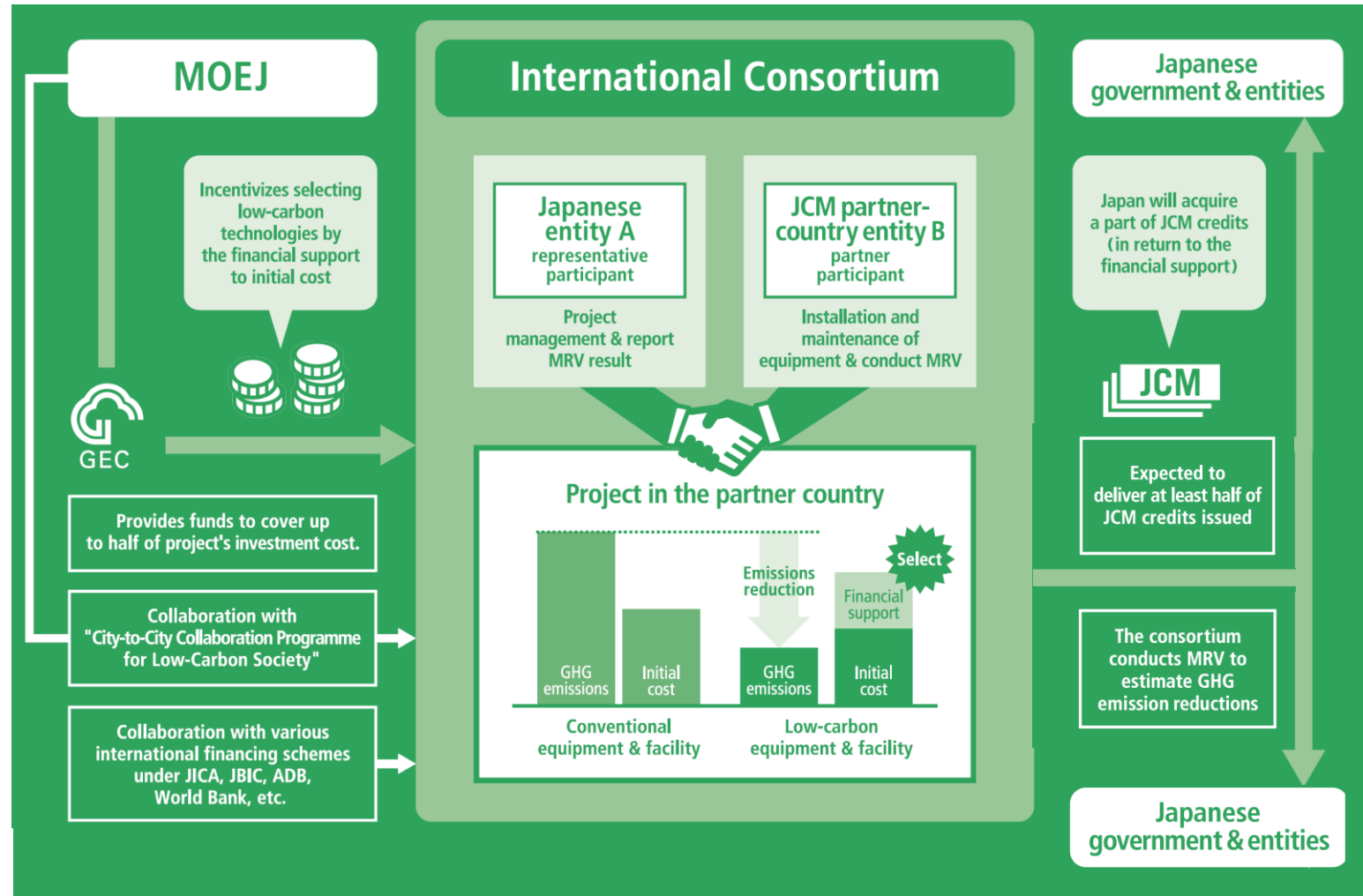
CURRENT STATUS OF CARBON MARKET

Joint Crediting Mechanism:

14 registered projects with the potential to reduce greenhouse gas emissions reaching 15,996 tCO₂ equivalent/year.

06 projects have been monitored, verified, issued carbon credits.

4,415 carbon credits issued.



CURRENT STATUS OF CARBON MARKET

Other crediting mechanism:

- **Gold Standard (GS):** 20 projects registered and issued with carbon credits. The total amount of credits issued under GS is 3,270,444 credits.
- **Verified Carbon Standard (VCS):** 17 registered projects. The total amount of credits issued under VCS is 603,417 credits.
- **Renewable Energy Certification (REC):** 4 projects registered with a total of 192,045 certificates issued.
- **Emission Reductions Payment Agreement:** reduction of 10.3 mil CO₂.



Viet Nam has the potential and experience in implementing GHG emission reduction activities as well as participating in international carbon market.

INTERNATIONAL SUPPORT

Government of Viet Nam received support from the Partnership for Market Readiness through the World Bank for the “**Partnership for Market Readiness Project in Viet Nam**” project (VNPMPR):

- **strengthening capacity** for developing carbon pricing approaches, including through supporting priority building blocks for market – based instruments (MBIs).
- **readiness to pilot** selected market-based instruments in selected sectors of steel and solid waste.

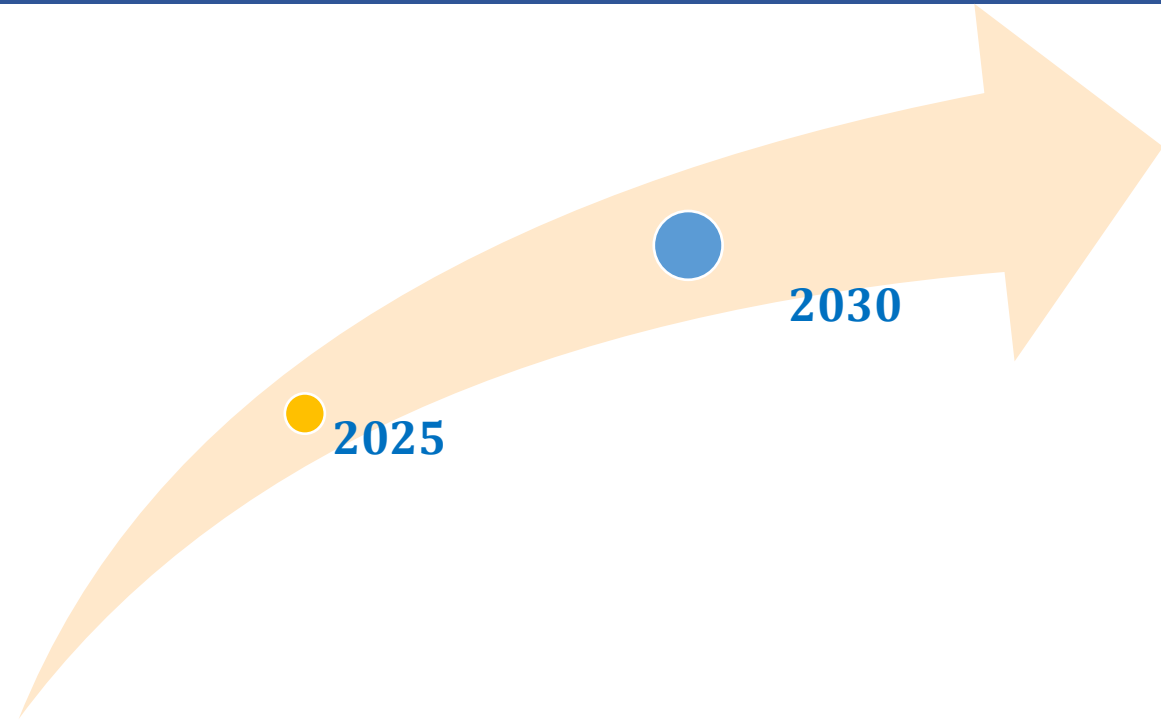
Asian Development Bank has been collaborating with Ministry of Natural Resources and Environment to formulate the support for Viet Nam through its **Establishing a Support Facility for Article 6**

- **Policy support** in reviewing policy framework and developing recommendations.
- **Capacity building** for relevant stakeholders to enhance their readiness to implement Article 6.

CARBON MARKET ROAD MAP

1. From now to 2025:

- Establishing an information and data system.
- Developing National Crediting Program and guideline for international mechanisms.
- Building technical infrastructure.
- Piloting the Emission Trading Scheme.
- Capacity building for business and relevant stakeholders.



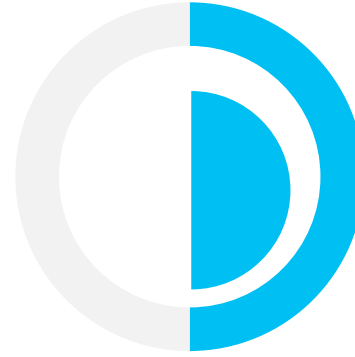
2. From 2026 to 2030:

- Official launching of Emission Trading Scheme.
- Connecting with regional and international carbon market.

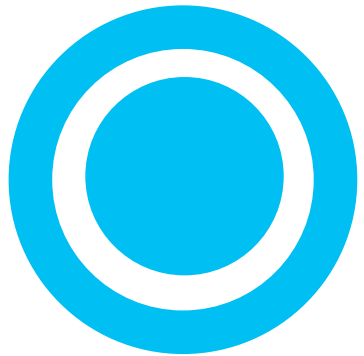
WAY FORWARD



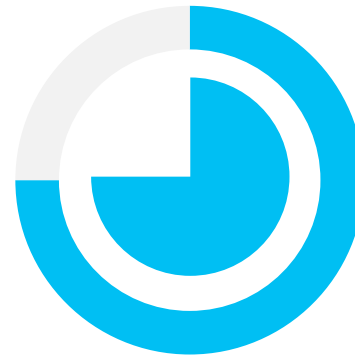
Finalizing institutional
and policies framework



Research and development



International cooperation



Capacity building and raising
awareness

THANK YOU!