

**The Thirteenth Asia-Pacific Seminar on Climate Change**  
**Miyazaki, Japan, 2-5 September 2003**

**Main CDM Activities and  
Arrangement for CNA in Vietnam**

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# Background Information

- Vietnam signed the United Nations Framework Convention on Climate Change (UNFCCC) on 11 June 1992, ratified it on 16 November 1994.
- Kyoto Protocol (KP): signed on 3 December 1998 and ratified on 25 September 2002.
- The Hydro-Meteorological Service of Viet Nam, nowadays Ministry of Natural Resources and Environment (MONRE) is assigned by the Government as a National Authority for implementing UNFCCC and KP.



## Background Information (Cont.)

- Viet Nam is carrying out a National Strategy Study on CDM project (NSS) supported by the Government of Australia through World Bank (WB).
- National Steering Committee and Study Team of NSS have been established.
- Country GHG emission reduction potential and costs are assessed.
- Climate change potential projects are identified and developed.
- UNEP Project: “Capacity Development for CDM” has being carried out in Viet Nam since 2002



# Main CDM Activities

- Researching the GHG Abatement Potential of Vietnam  
*(Focusing on research of abatement potential in Energy Sector)*
- Evaluating Vietnam's Supply Potential
- Studying CDM Market Opportunities for Vietnam
- Realizing CDM Opportunity for Vietnam
- Developing Portfolio of CDM Projects
- Carrying out Capacity Development for the CDM  
*(Focusing on policymakers and business circle)*



# Arrangement for CNA

To meet one of three basic requirement:

- Establishment of a CDM National Authority (CNA)
- Ratification of the KP
- Voluntary participation in the CDM



# Arrangement for CNA

## Point of view on CNA

- \* Based on existing organizations with neatly arrangement
- \* Process quickly work related to CDM but keep within the existing law
- \* Obtain maximum possible benefit from participation in the CDM market
- \* Accord with Kyoto Protocol and domestic circumstance
- \* Capacity development for the CNA to manage CDM activities plays an important role in CDM implementation in the country



# Arrangement for CNA

- **Functions of CNA:**
  - ✓ Building national criteria and guidelines on CDM
  - ✓ Assess CDM projects at the national level
  - ✓ Submit CDM projects to National Executive Board (NEB) and manage them
  - ✓ Propose approved CDM project to Executive Board by issuing a formal letter of approval
  - ✓ Co-ordination with relation international organizations in CDM activities
- CNA is responsible for identification, assessment, validation, implementation, monitoring, verification and certification of CDM project



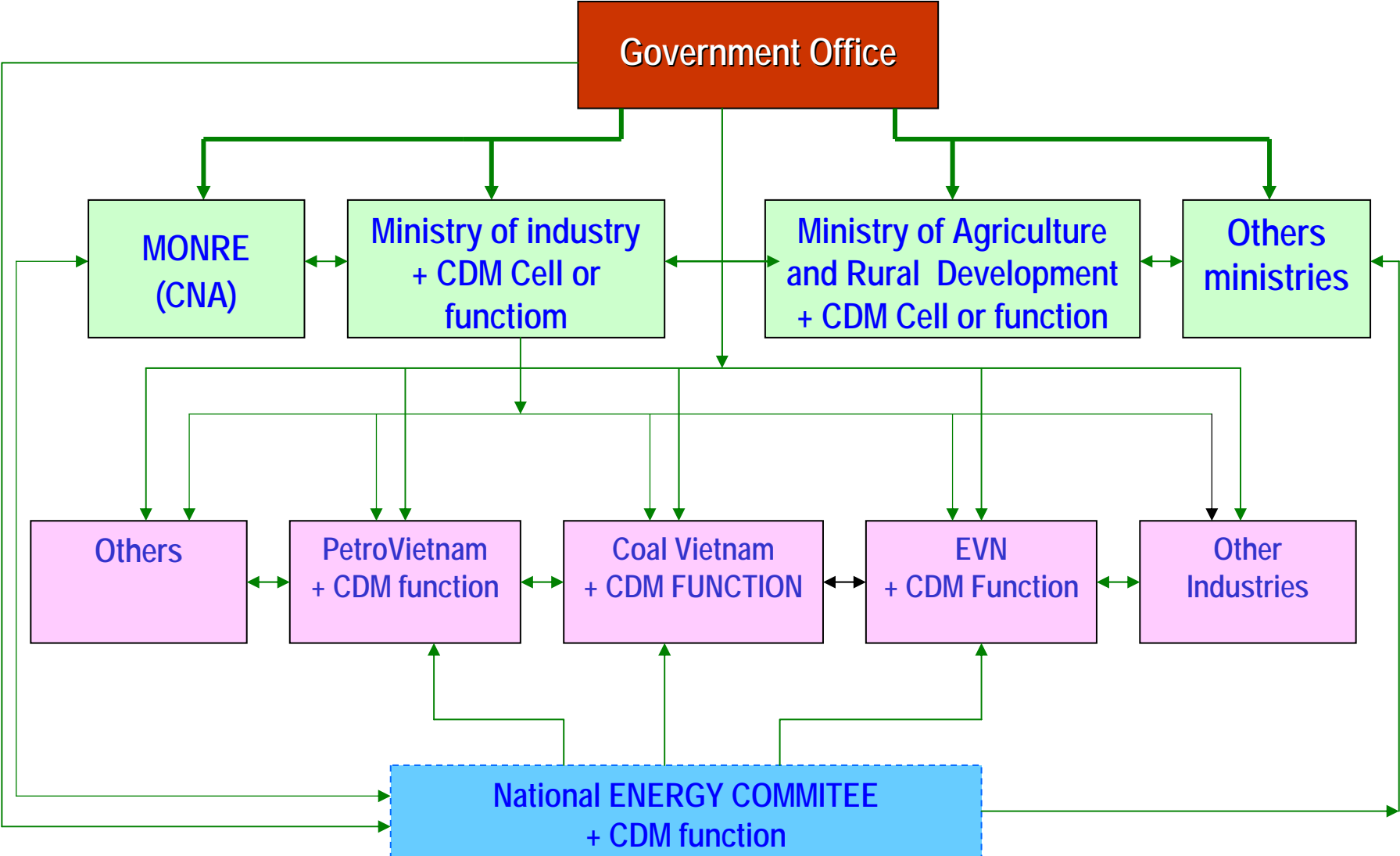


# Arrangement for CNA

- As required by Marrakech Accords, when approving CDM projects, CNA should:
  - ✓ Confirm that participation is voluntary
  - ✓ Confirm that the project assists the host country in achieving sustainable development
  - ✓ Authorize private/public entities to participate in CDM activities.



# State management structure for sectors & proposed CDM National Authority



# Establishment and Capacity Development for CNA

- Main, important task under UNEP Project: **CD4CDM** in the period 2003-2005.
- Task outputs:
  1. Establishment of a CDM National Authority (2003)
  2. Drafting rule and regulation for CNA functioning to manage the development, validation, implementation, monitoring, verification and certification of CDM project activities (2003-2004)
  3. Effective CNA operation in CDM activity management in projects validation, approval, monitoring, verification and certification and in international cooperation (2004-2005)
  4. Enhancement of regulatory framework to promote CDM projects (2005)



# Vietnam CDM Project Cycle

- **Project design:** design and feasibility study of project should be carried out by Project Proponents (PP) including foreign partners
- **Validation:** project design must be validated independently by an internationally accredited Operational Entity (OE)
- **Host country approval:** Analysis and endorsement by CNA. (It is MONRE)
- **Registration:** Sign up the CDM project with the CDM Executive Board (EB)

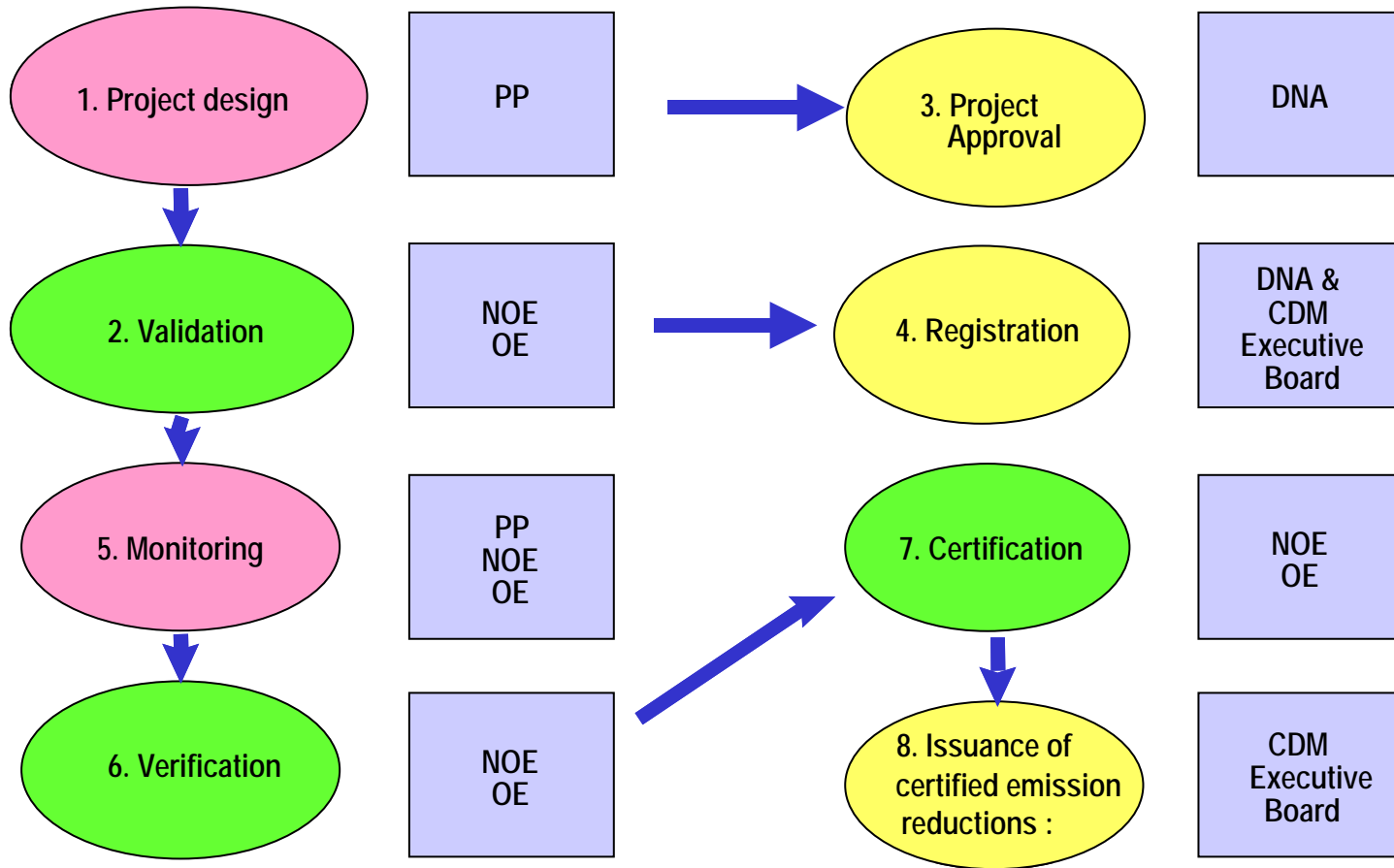


# Vietnam CDM Project Cycle

- **Monitoring:** implementation and monitoring of CDM projects will be carried out by Project Partners or accredited Operational Entities
- **Verification:** CDM project performance should be assessed independently by accredited Operational Entities
- **Certification:** Written assurance of the performance of CDM projects should be given by accredited Operational Entities
- **Issuance:** After agreement by the CNA, CDM project credits should be approved and registered by CDM Executive Board accredited by COP



# Vietnam CDM Project Cycle



# Conclusion

- In order to obtain the maximum possible benefit from participation in the CDM:
  - ✓ Reforming existing structure to involve relevant ministries in CDM management.
  - ✓ Integrating CDM issues into development strategies, policies, plans of main sectors.
  - ✓ Setting up legal basic for CDM activities in Viet Nam.
  - ✓ Developing criteria for CDM project assessment in a view of SD
  - ✓ Formulating rule and regulation agreement with related project partners





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