



VIETNAM-JAPAN JOINT CREDITING MECHANISM

Nguyen Thanh Hai

Department of Meteorology, Hydrology and Climate Change

Ministry of Natural Resources and Environment

Paris, 7 December 2015

Contents

- ❑ Overview of Vietnam's JCM
- ❑ Milestones and achievements
- ❑ Expectations for low-carbon growth
- ❑ The way forward



Overview

The Beginning

The MOU

Institutional arrangement

Project Procedure Cycle

Vietnam-Japan JCM: The Beginning

2 July 2013 - Signing the bilateral document on Joint Crediting Mechanism



Minister of Natural
resources and
Environment Vietnam



Minister of Economy,
Trade and Industry
Japan

“Memorandum of Cooperation on Low Carbon Growth
between the Vietnamese side and Japanese side”

Vietnam-Japan JCM: the MOU



JCM is a mechanism that encourages the business sector of both sides to invest in low-carbon technologies

“In pursuit of the ultimate objective of the UNFCCC; of achieving sustainable development; and in order to continue to address climate change in cooperation beyond 2012”

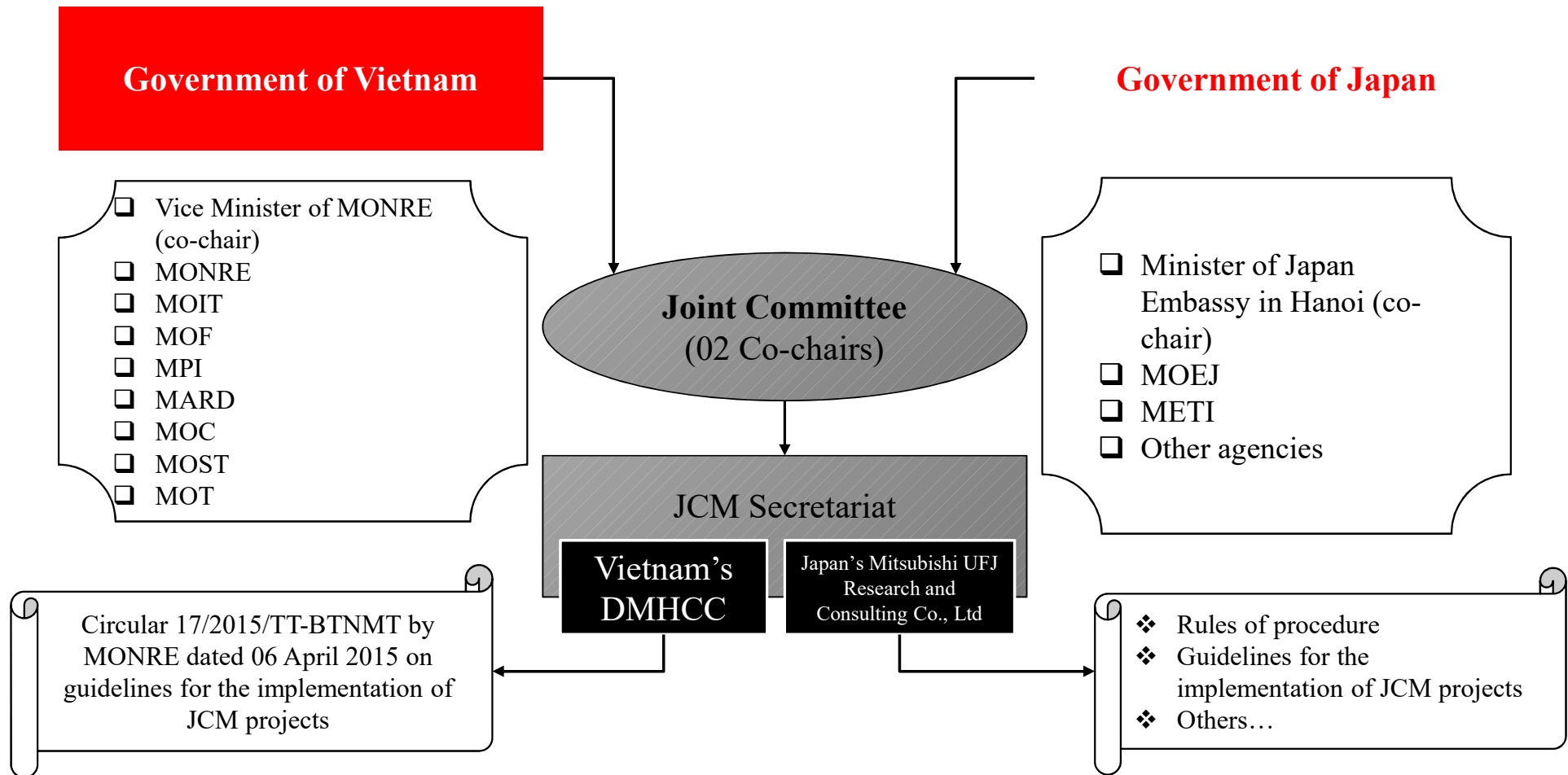
“To promote investment, deployment of low-carbon technologies, products, systems, services, infrastructures to achieve low-carbon growth in Vietnam”

“Verified reductions or removals from projects under the JCM can be used as part of Japan’s internationally pledged GHG mitigation efforts and Vietnam’s NAMA”

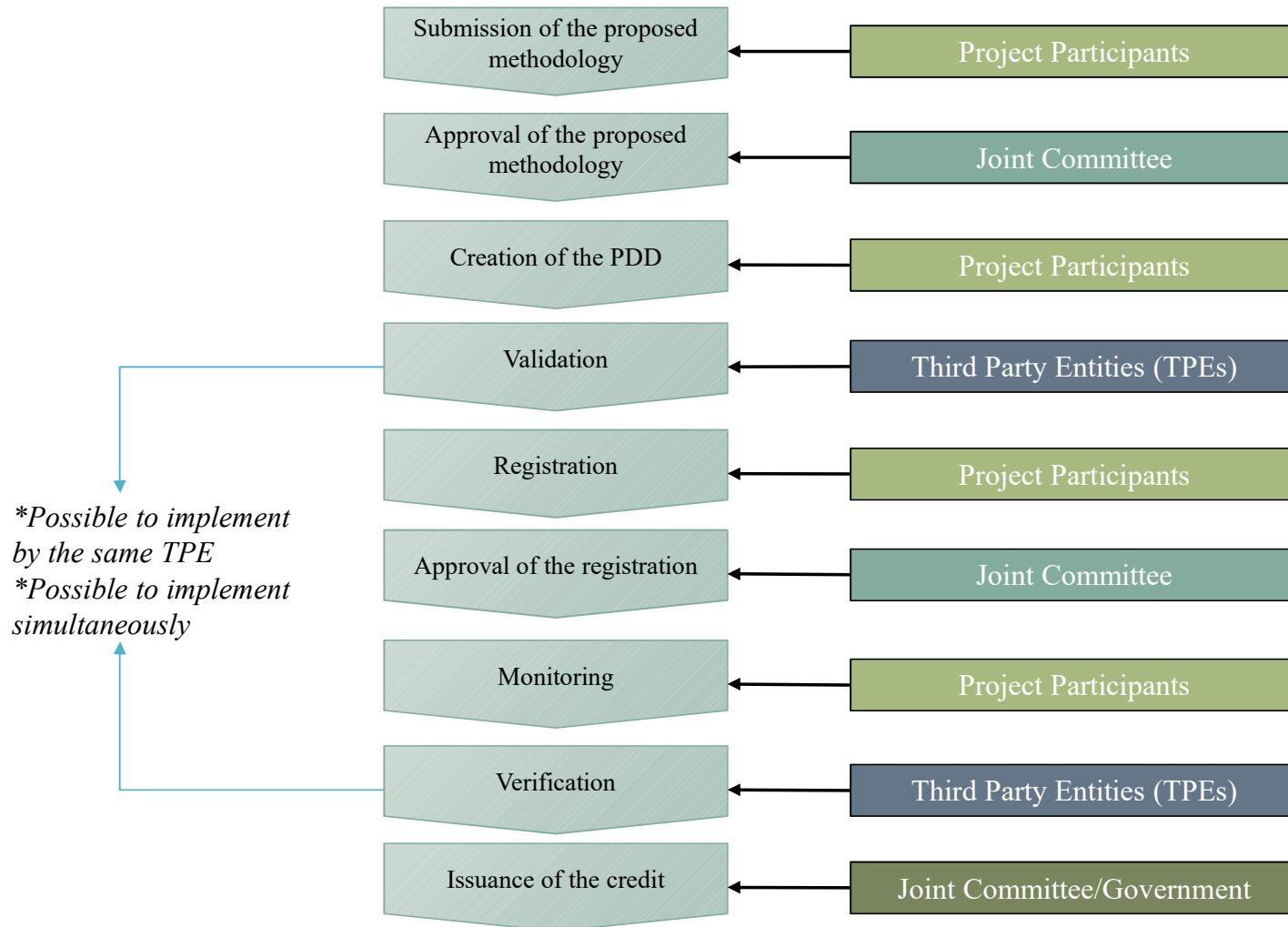
“Facilitating financial, technological and capacity building support for the implementation of the JCM”

“JCM starts as non-tradable credit type mechanism and continue towards transition to tradable credit type”

Vietnam-Japan JCM: Institutional arrangement



Vietnam-Japan JCM: Project Procedure Cycle



Milestones and achievements

Major milestones

Other achievements

Approved Methodologies

Projects

City-to-City

Vietnam-Japan JCM: Major milestones



18/9/2013

First Joint Committee Meeting

Signing Ceremony for adoption of the “Guidance for the Implementation of the Joint Crediting Mechanism” and the “Joint Crediting Mechanism Rules of Procedures for the Joint Committee”

Discussion on other rules and guidelines for adoption



17/2/2014

Second Joint Committee Meeting

Adopted rules and guidelines to be followed for the pilot phase of the JCM implementation between Vietnamese side and Japanese side

Discussion on the potential projects



14/1/2015

Third Joint Committee Meeting

Adopted 3 proposed methodologies

Discussion on proposed revised “Joint Crediting Mechanism Rules of Procedures for the Joint Committee”, “Joint Crediting Mechanism Guidelines Project Cycle Procedures” and “Joint Crediting Mechanism Guidelines for Designation as a Third-Party Entity”



4/8/2015

Fourth Joint Committee Meeting

1st JCM registered project

Discussion on proposed amendments to the “Guidance for the Implementation of JCM”, “JCM Credits Issuance Request Form” and “JCM Project Cycle Procedures”

Vietnam-Japan JCM: Other achievements

*Designating TPEs

Calling for public input on methodologies/project documents

*Approving methodologies/JCM projects

Institutionalization of JCM (Circular 17/2015/TT-BTNMT by MONRE)

Promotion, capacity building and awareness raising

Encouraging private sector involvement

**Joint Committee decisions made via electronic means*

Vietnam-Japan JCM: Approved Methodologies

Methodology

→ calculating emission reductions achieved by project and monitoring project.



Approved methodologies

VN_AM001

Transportation energy efficiency activities by installing digital tachograph systems

VN_AM002

Introduction of Room Air Conditioners Equipped with Inverters

VN_AM003

Improving the energy efficiency of commercial buildings by utilization of high efficiency equipment

VN_AM004

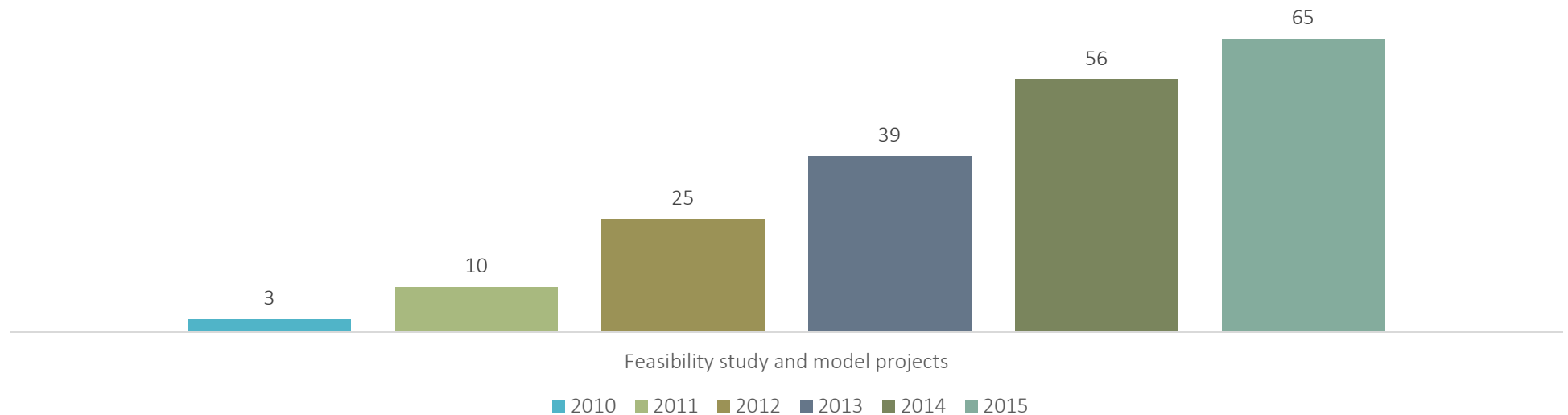
Anaerobic digestion of organic waste for biogas utilization within wholesale markets

VN_AM005

Installation of energy efficient transformers in a power distribution grid

Vietnam-Japan JCM: Projects

NUMBER OF JCM FEASIBILITY STUDIES, PLANNING STUDIES,
MODEL AND DEMONSTRATION PROJECTS



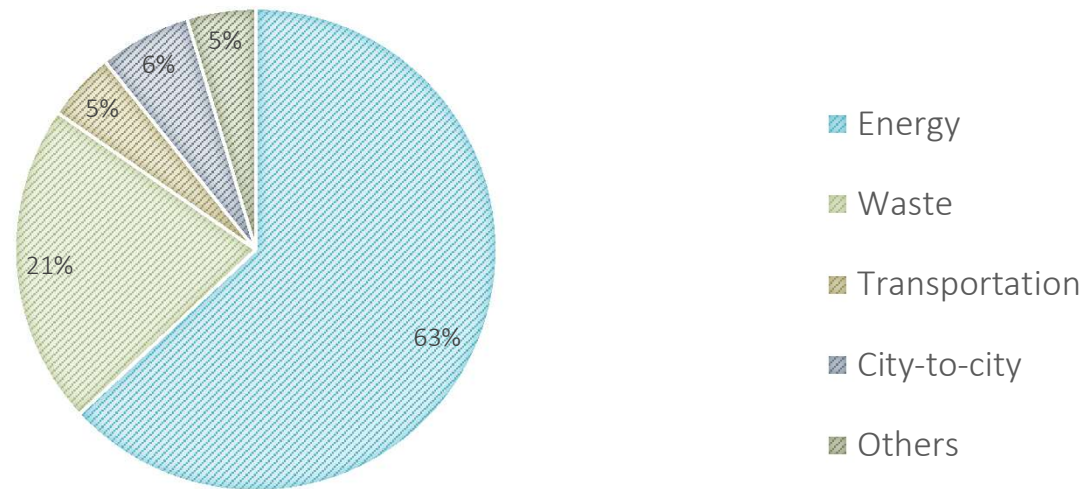
Vietnam-Japan JCM: Projects



VN001 “Eco-Driving by Utilizing
Digital Tachograph System”

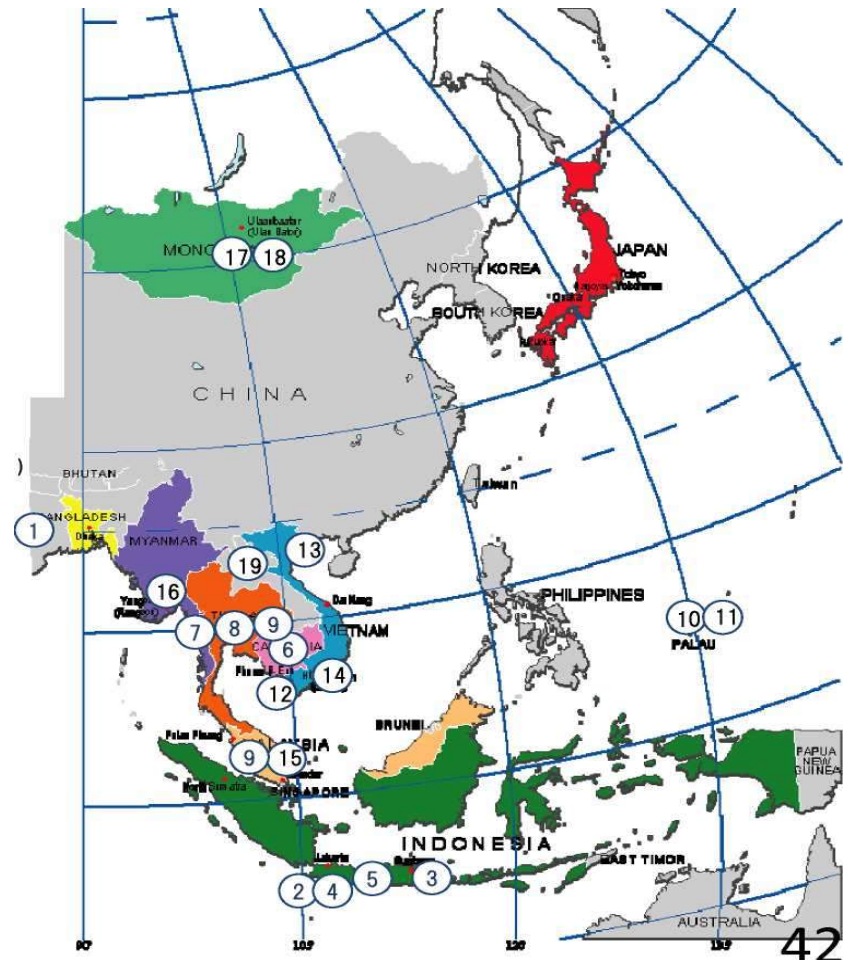
Vietnam-Japan JCM: Projects

JCM PROJECTS BY SECTOR



Vietnam-Japan JCM: City-to-city projects

- ✧ *Feasibility study on eco-island between Kien Giang prov. And Kobe City;*
- ✧ *Building action plan for green growth in Hai Phong City in cooperation with Kitakyushu City;*
- ✧ *Low-carbon growth cooperation between HCMC and Osaka City;*
- ✧ *Low-carbon growth cooperation between Yokohama and Da Nang.*



Expectations for low-carbon and sustainable development

Vietnam-Japan JCM: Expectations for INDC

Contribution to GHG emission reduction goals in INDC

Scope of works:

Energy
Agriculture
LULUCF
Waste

Target GHG:

Carbon dioxide (CO₂),
Methane (CH₄),
Nitrous oxide (N₂O),
Hydro fluorocarbons (HFCs),
Perfluorocarbons (PFCs),
Sulfur hexafluoride (SF₆).

BAU:

2010: 225.6 million tCO₂e
2020: 474.1 million tCO₂e
2030: 787.4 million tCO₂e

• Contribution (no support)

- By 2030, with only domestic resources: reduce by **8%** total GHG emissions compared to BAU, including:
- Increase renewable energy to **4%** of the total electrical energy
- Increase forest cover of 45%.

• Contribution (with intl support)

- By 2030, with only domestic resources: reduce by **25%** total GHG emissions compared to BAU, including:
- **30-35%** emission intensity per unit of GDP compared to 2010.
- Increase renewable energy to **9%** of the total electrical energy

Vietnam-Japan JCM: Expectations for technology transfer

- ❑ Advanced technologies in varied sectors:
 - Energy efficiency/saving
 - Transportation
 - Waste
 - Agriculture
 - LULUCF

- ❑ Knowledge, know-how and ownership

- ❑ Strong cooperation between the business sector of the Japanese and Vietnamese sides

Vietnam-Japan JCM: City-to-City

- ❑ Enhanced collaboration between cities:
 - Strengthened economic activities
 - Cleaner production
 - Sustainable development
 - Social benefits

- ❑ Stronger synergy between all sectors
- ❑ Closely aligned with development needs on a local level (bottom-up approach)
- ❑ Better cooperation between business sectors

The way forward

Vietnam-Japan JCM: The way forward

- Cooperating with Vietnamese stakeholders and Japanese counterparts to review and strengthen the project cycle procedures, credit distribution, credit trading and financial mechanism
- Forming technical advisory board for JCM
- Organizing JCM workshops to government agencies and business sector
- Organizing business forum on JCM and other technology support mechanisms



Contacts

■ *Department of Meteorology, Hydrology and Climate Change*

No. 10, Ton That Thuyet, Hanoi

Tel: (+84-4) 37-955-116

Fax: (+84-4)37-759-770

JCM Secretariat email: info@jcmvietnam.vn

International JCM website: <http://www.mmechanisms.org/e/index.html>

Vietnam JCM website: <http://jcmvietnam.vn/>

Thank you!!!