

Addressing Climate Change in Viet Nam:

EFFORTS AND EXPECTATIONS



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INTERNATIONAL NEGOTIATIONS ON CLIMATE CHANGE: VIET NAM'S EFFORTS

Introduction

Viet Nam has made a bold commitment to sustainable development and to respond to the challenges posed by climate change. While the country faces severe threats and adaptation measures are a priority, it is also contributing to the global effort to fight against climate change by pushing forward important mitigation policies, particularly since the United Nations Framework on Climate Change (UNFCCC) COP13 held in Bali in 2007, the implementation of the Bali Roadmap and the subsequent Copenhagen and Cancun agreements. Viet Nam is participating actively in international climate meetings and, at the national level, has elaborated policies such as the National Target Programme to Respond to Climate Change.

Main Elements of the Evolution of Viet Nam's Position from COP13 to COP16

At the time of COP13, Viet Nam's focus was mainly on climate change adaptation and on ensuring that adequate support and financing was made available to developing countries to address it. Opportunities for climate change mitigation in the country were seen only in terms of the Clean Development Mechanism (CDM), as there were no incentives at the international level to compensate countries for reductions in deforestation. Since then, the international negotiations and Viet Nam's subsequent actions have progressed considerably.

Viet Nam's position at COP16 focused on the following four points:

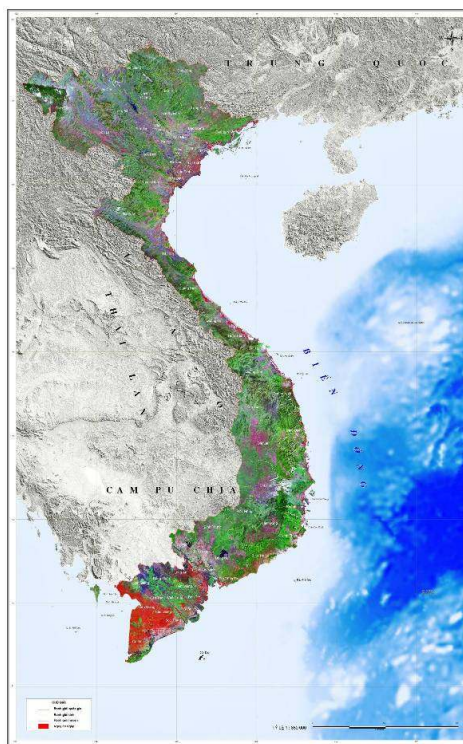
- (i) The UNFCCC and the Kyoto Protocol should maintain their role as major legal instruments to combat climate change;
- (ii) Developed countries should increase their pledges in order to limit the rise in global temperature to 2°C, compared to pre-industrial levels;
- (iii) Developing countries can voluntarily design and implement Nationally Appropriate Mitigation Actions (NAMAs), national circumstances need to be taken into consideration and developed countries need to provide assistance to them in terms of financing, technology transfer and capacity building; and
- (iv) An agreement on REDD+ is fundamental for lowering emissions from deforestation and for achieving other benefits related to it, particularly biodiversity conservation and sustainable livelihoods.

Climate Change: a Priority for the Government of Viet Nam

Legislative Framework

Over the past few years, the perception on climate change by the main policy-makers and the leadership in Viet Nam has shifted. Today, climate change is considered one of the most serious challenges facing the country: a Resolution of the 11th National Congress of the Communist Party (adopted in January 2011) stated that climate change will seriously affect Viet Nam. This Resolution prioritises responding to climate change for the period 2011-2015.

The Government has gradually strengthened the legal framework on climate change, disaster risk reduction, cleaner production and energy. The National Strategy for Natural Disaster Prevention, Response and Mitigation to 2020 was approved in 2007 and in 2008 the National Target Programme to Respond to Climate Change (NTP-RCC) was issued. It is expected that the National Climate Change Strategy will be approved by the Prime Minister before the end of 2011. The Government is currently preparing a Green Growth Strategy (GGS), which will encompass low-carbon growth as well as addressing other environmental challenges. A National REDD+ Programme is being drafted and Viet Nam has started to conceptualise sub-sectoral NAMAs in, for example, agriculture and industry.



Inundation risk when sea level rises by 1.0 m

The NTP-RCC aims to determine sectoral and regional impacts that will serve as a basis to develop feasible action plans to effectively respond to climate change in the short and long term. The action plans will contribute to sustainable development by seizing opportunities to move towards a low-carbon economy and by joining the international community's efforts in mitigating climate change and protecting the climate system. The NTP has 50% of total funding from State budget and the remaining 50% from donors' support. The NTP has achieved a number of positive results since implementation started in early 2009. These

include the production of Climate Change and Sea Level Rise Scenarios for Viet Nam, led by the Ministry of Natural Resources and Environment (MoNRE) and based on three global emission scenarios; the development of Action Plans, with responses to climate change by five of nine ministries; and the production of provincial Action Plans by six provinces.

Viet Nam has also developed effective decision-making mechanisms, including a Steering Committee on Climate Change chaired by the Prime Minister, which provides guidance and oversees the implementation of climate change policies and programmes, and an Executive Board for NTP-RCC implementation, which is chaired by the minister of MoNRE. MoNRE is the National Focal Point for the UNFCCC and the Kyoto Protocol.

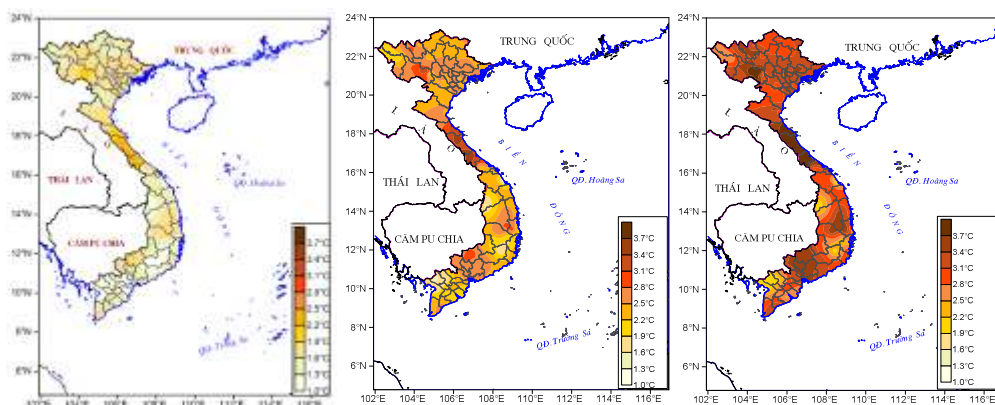
Threats and Priorities for Action on Climate Change for Viet Nam

The MoNRE report *Climate Change, Sea Level Rise Scenarios for Viet Nam* (2009) predicts that, in the late 21st Century, the average temperature in Viet Nam will likely increase by about 2.3°C, total rainfall in the rainy season will increase while dry season rainfall will decrease, and sea levels may rise by 65cm to one metre, compared to the average for the period 1980-1999. If no adaptation measures are taken and sea levels rise by one metre (which is Viet Nam's planning parameter), about 40% of Cuu Long (Mekong Delta), 9% of the Red River Delta and 3% of the other provinces in coastal areas could potentially be at increased risk of flooding. Moreover, over 20% of Ho Chi Minh City could possibly be flooded.

Greenhouse gas abatement is therefore necessary in developed nations with high emissions and also in Viet Nam. Priorities for action have been identified for Viet Nam in reducing dependency on coal and improving energy efficiency (the energy sector accounted for over a third of total emissions in 2000). In addition, strengthening the forestry sector is a priority as, although there has been an increase in forest area since 1992, many areas of the country show high rates of deforestation.

The Climate Change Strategy aims to create a legal framework for implementing climate change adaptation and mitigation. The strategy envisions that: *"towards 2100, Viet Nam will become a prosperous, civilized, developed country with a low carbon economy, successfully responding to climate change and playing an important role in the region and in the world"*. Its main goals are: to strengthen the adaptation capacity of human and natural systems to climate change; to develop a low-carbon economy to protect and enhance the quality of life; to ensure national security and sustainable development in the global climate change

context; and to work actively with the international community to protect the world's climate system.



Increase in the annual average temperature in Viet Nam by the end of 21st century according to low, mid and high scenarios

The draft GGS will provide Viet Nam's voluntary emission reduction targets and will help to transform current development patterns towards sustainable development.¹ Viet Nam perceives green growth as an integral part of sustainable development and the GGS will support the implementation of the Strategic Orientation of Sustainable Development (Viet Nam's Agenda 21). This is reflected in the draft goal to 2020, which aims at maintaining economic growth levels while mitigating green house gas emissions, improving the efficiency of use of natural resources, and overseeing a shift in environmental protection towards green and sustainable development. The draft GGS takes three strategic directions: low-carbon development trajectories; green production and restoring of natural assets; and the stimulation of green lifestyles.

The Government is currently developing a National REDD+ Programme which is supported by international projects, including the UN-REDD Programme for REDD+ readiness.

The National Strategy for Natural Disaster Prevention, Response and Mitigation to 2020 aims to *"mobilize all resources to effectively implement disaster prevention, response and mitigation from now up to 2020 in order to minimize the losses of human life and properties, the damage of natural resources and cultural heritages,*

¹ Ref Decision 1/CP.16, Article 48, which underlines the link between NAMAs and sustainable development.

and the degradation of environment, contributing significantly to ensure the country sustainable development, national defence and security”.

Climate Change Adaptation (CCA) and Disaster Risk Reduction (DRR)

In addition to environmental management and poverty reduction, CCA and DRR are policy areas that need to be considered in a holistic manner in order to reduce a country's social and economic vulnerability to climatic hazards. Climate change will increase Viet Nam's proneness to hydro-meteorological disasters, mainly from changes in precipitation and typhoons. Long-term planning therefore needs to be integrated with actions aimed at managing disasters.

All ministries on the Central Committee for Flood and Storm Control have action plans for disaster risk management. The majority of sectoral development plans and socio-economic development plans at the national and provincial levels for the period 2011-2015, as well as draft master plans for the period 2011-2020, have integrated some elements of disaster risk management. There has also been a notable increase in efforts to give greater attention to non-structural measures, such as capacity building, awareness raising, training, risk-mapping and early warning systems. In addition, the second National Forum on DRR and CCA took place in March 2011 to prepare for the establishment of a National Platform for Disaster Risk Reduction and Climate Change Adaptation (scheduled for early 2012).

Cleaner Production and Energy Efficiency

Cleaner Production: In 1999, Viet Nam adopted a National Cleaner Production Strategy in Industry until 2020. The strategy sets targets that by 2015, 25% of industrial production facilities will be applying cleaner production processes and saving 5-8% on energy consumption. By 2020, 50% of industrial production facilities will be applying cleaner production and saving 8-13% on energy consumption.



Painting in Bat Trang ceramics village where 95 percent of households have changed to green technology kilns

Energy Efficiency: Viet Nam started up the implementation of a National Energy Efficiency Programme in two phases, 2006-2010 and 2011-2015. The programme aims at saving energy by reducing consumption by 5-8% by 2015.

In 2010, Viet Nam adopted a Law on Energy Efficiency and Conservation. In the Energy Development Plan of the Ministry of Industry and Trade (MoIT), renewable energy and low-carbon energy is a priority. This Ministry, together with relevant provinces, regularly reviews the master plan for hydroelectric power to ensure that energy needs are met, that there is sufficient water for irrigation and consumption, and that flood control measures are in place. The MoIT also proposes incentives for developing electricity from renewable sources (wind and solar) to gradually increase the renewable energy ratio.

Programmes/Projects Implemented with the Assistance of International Development Partners:

These include the Support Programme to Respond to Climate Change initiated by Japan International Cooperation Agency (JICA) and the French Development Agency and aimed at the smooth and effective implementation of the NTP-RCC; the Climate Change Adaptation and Mitigation Programme (funded by Denmark); various technical assistance initiatives on DRR and CCA, cleaner



UNDP administrator Helen Clark visited Bat Trang village in Summer 2010.

production and energy efficiency by the United Nations Development Programme (UNDP), Global Environment Fund, the World Bank, JICA, Asian Development Bank (ADB) and others; the Climate Investment Funds (World Bank with International Finance Corporation and the ADB); and a substantial range of non-government projects at the local level.

VIET NAM'S EXPECTATIONS FROM THE INTERNATIONAL CLIMATE CHANGE NEGOTIATIONS

Viet Nam² is member of the Group of 77 (G77) and China – the largest association of developing countries in the world today – and agrees with all the main joint policy proposals on the main issues being negotiated. Viet Nam is member of the Association of Southeast Asian Nations (ASEAN). ASEAN is not an official UNFCCC

² Viet Nam signed the UNFCCC in 1992 and ratified it in 1994. In 1998, the Government signed the Kyoto Protocol and ratified it in 2002. The United Nations Convention to Combat Desertification was ratified by Viet Nam in 1998. In 2005, Viet Nam signed the Hyogo Framework for Action 2005-2015

negotiation groups, but ASEAN countries cooperate on climate change and share some similar positions.

Shared Vision for Long-term Cooperative Action: Viet Nam expects an outcome in Durban that ensures the fulfilment of the ultimate objective of the Convention, that is: *“the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system”³*, to be achieved by 2050 on *“the principles of equity and common but differentiated responsibilities and respective capabilities.”* In addition, developed country parties must provide the necessary finance, technology and capacity building to developing countries.

Mitigation in Developed Countries: Viet Nam feels that developed country emission reduction targets should be Measurable, Reportable and Verifiable (MRV) and there should be a comparable and common accounting framework for greenhouse gases and a standard reporting format.

Mitigation in Developing Countries: Viet Nam believes that, without adequate financing, developing countries will encounter serious difficulties in effectively adapting to climate change and mitigating their greenhouse gas emissions. Viet Nam is also taking measures with domestic financial and human resources and is happy to register those but will not apply MRV for domestic actions. Viet Nam wants further agreement and guidance on internationally supported NAMAs. Programmatic, sectoral NAMAs should promote and incentivise the participation of the private sector with clear technical procedures.

REDD+: Viet Nam hopes that financial support for REDD+ can be agreed in Durban, especially regarding the use of the Green Climate Fund. Based on, for example, experience with afforestation under the CDM, it doubts whether a market-based offset mechanism can be a primary source of finance for REDD+ because markets question its permanence whilst the potential for leakage remains very big. Furthermore, offsets would mean no net reduction in global greenhouse gas emissions.



³ Outcome of the work of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention, COP16, see <http://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf#page=2>

Various approaches, including opportunities for using markets to enhance the cost-effectiveness of and to promote mitigation actions, bearing in mind the different circumstances of developed and developing countries:

Viet Nam believes that the CDM must be reviewed and simplified to make it more applicable and capable of responding to non-Annex 1 countries' needs. The main limitations relate to the modalities of the measurement of carbon offsets. Viet Nam has been endorsed as a partner in the Partnership for Market Readiness Programme of the World Bank.

Finance: Viet Nam, as part of G77 and China: *“reiterates the need for enhanced and urgent action on the provision of financing resources and investment to support action on mitigation, adaptation and technology cooperation to developing country Parties.”*⁴ Urgent action is expected from developed countries for both fast-start and long-term financing.

Viet Nam is satisfied with the progress made by the Transitional Committee on the Green Climate Fund and it believes that its operationalisation should be prioritised. Funding opportunities to respond to the needs of non-Annex 1 countries should be long-term, scaled-up, new, additional, predictable, adequate, open, and capable of facilitating public-private partnerships. Viet Nam also believes that long-term finance should include the initial capitalisation of the Green Climate Fund as critical in order for it to become operational by the time of COP17 in Durban.

Technology Transfer and Capacity Building: The G77 and China notes the establishment of a technology executive committee and a climate technology centre and network in the Cancun Agreements. It recalls paragraphs 114 and 115 of Decision 1/CP.16, which state that technology needs must be: *“nationally determined, based on national circumstances and priorities”*⁵ and that there is a *“need to accelerate action consistent with international obligations, at different stages of the technology*



⁴ Source: Draft Decision on the Standing Committee of the Financial Mechanism of the Convention
(http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/lca_finance_g77_amended_version_draft_decision_on_the_standing_committee_rev8june15.pdf)

⁵ Outcome of the work of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention, COP16 (Section B, Article 114)

cycle.”⁶ The Government believes that there should be at least one technology centre in one of the ASEAN countries and possibly in Viet Nam on, for example, adaptation-related technology.

Regarding the Technology Executive Committee, Viet Nam believes that the roles and functions of the members should be clarified and that the Committee should have at least one representative from an ASEAN country. Training on how to access Climate Funding should also be provided. Intellectual property rights should not hold up climate-relevant technology transfer.

Enhanced Action on Adaptation: Viet Nam perceives itself as “*particularly vulnerable to the adverse effects of climate change*”⁷ as it suffers an estimated 1.3% GDP loss annually because of climate-related disasters and, on average, 450 deaths annually over the past two decades. The formulation and implementation of adaptation actions is therefore a priority for the country. Viet Nam feels encouraged by the progress made regarding the Adaptation Framework and the Adaptation Committee. It hopes that those will be operationalised in Durban, which requires regulations and institutional arrangements to be agreed. It would welcome an ASEAN representative on the Adaptation Committee.



Further Commitments for Annex 1 Parties under the Kyoto Protocol: Viet Nam shares the concern of the G77 and China members at the lack of progress under the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (the AWG-KP). The AWG-KP is adamant that political will is crucial

⁶ Outcome of the work of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention, COP16 (Section B, Article 115)

⁷ UNFCCC Preamble; Art 3.2, Art 4.4

to success in establishing a second commitment period. There is a need to overcome the wide gap between the emissions reduction pledges by developed countries and what is required from them by science, equity and historical responsibility.

The Kyoto Protocol is a fundamental pillar of the climate change regime and the establishment of binding developed country targets for the second Commitment Period is a necessary requirement for success in Durban. The G77 and China calls for balanced progress under both the AWG-KP and *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention.

CONCLUSIONS

As the Deputy Prime Minister stated during COP14 in Poznan in 2008, Viet Nam contributes only 0.1% of the world's GDP and 0.4% of global greenhouse gas emissions. However, it is willing to take an active part in the fight against climate change in consonance with the principles of common but differentiated responsibilities as it is also one of the countries that will be most severely affected by its effects.

Viet Nam has made important steps, both at the national and at the international levels, in laying the basis for CCA and in moving towards a low-carbon economy. Viet Nam welcomes international progress on aspects such as financing and REDD+, which open up new opportunities for the country.

Viet Nam believes in a proactive and positive approach to addressing climate change and in the importance of seizing opportunities for its development.

Viet Nam has confirmed its readiness to work together with like-minded countries for this common goal. As H.E. the Prime Minister stated at COP15 in Copenhagen, *"the Earth is our common house."*⁸

⁸ Source: Speech by H.E. Nguyen Tan Dung, Prime Minister of Viet Nam, at COP15 in Copenhagen 2009.