

Presenter: MA. Tran Hong Nhung

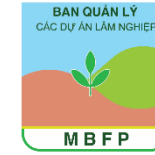
Principal Specialist at Legal Department, Ministry of Finance

MA. Nhung has 14 years of experience in the legal aspect of financial policy. She participates in researching , reviewing and formulating common and financial policies related to green growth and sustainable development, mitigation activities and carbon market development in Vietnam.





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Legal regulations and orientations for development of carbon market in Vietnam

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Content

- 1. Necessity and legal basis of carbon market's development**
- 2. Carbon market structure**
- 3. Tasks and solutions**
- 4. Roadmap**



1.1. Necessity of developing of carbon market



Climate change
and its impacts



1.2. Legal basis on carbon market development

- **Resolution No 24-NQ/TW dated 03/6/2013 of the Sixth Central executive committee**
 - Promote activities reducing greenhouse gas emissions relate to country's conditions on the basis of financial and technological support of countries and international organizations;
 - Develop domestic carbon exchange markets and participate in the global carbon market;
- **Governmental action program on implementing Resolution No. 24-NQ/TW**
- **National strategy on climate change**
- **National strategy on green growth**
- **Resolution No, 93/NQ-CP on approving Paris agreement on Climate change**



1.2. Legal basis on carbon market development (cont)

Plan on implementing Paris Agreement (QĐ 2053/QĐ-TTg dated 28/10/2016): "Build and develop a domestic carbon market and other cooperation mechanisms on greenhouse gas emission mitigation under Article 6 of the Paris Agreement. Pilots will be implemented in potential areas ."

Law on environmental protection No. 72/2020/QH14:

- Organizing and developing the domestic carbon market is one of the contents of reduction in greenhouse gas emissions;
- Domestic carbon market includes exchanging greenhouse gas emissions and carbon credit.

Decree No. 06/2022/NĐ-CP:

Exchange of greenhouse gas emission quotas, carbon credits implemented on carbon credits trading platform, domestic carbon markets



2. Carbon market model



2.1. Commodities on carbon markets

Greenhouse emissions quotas

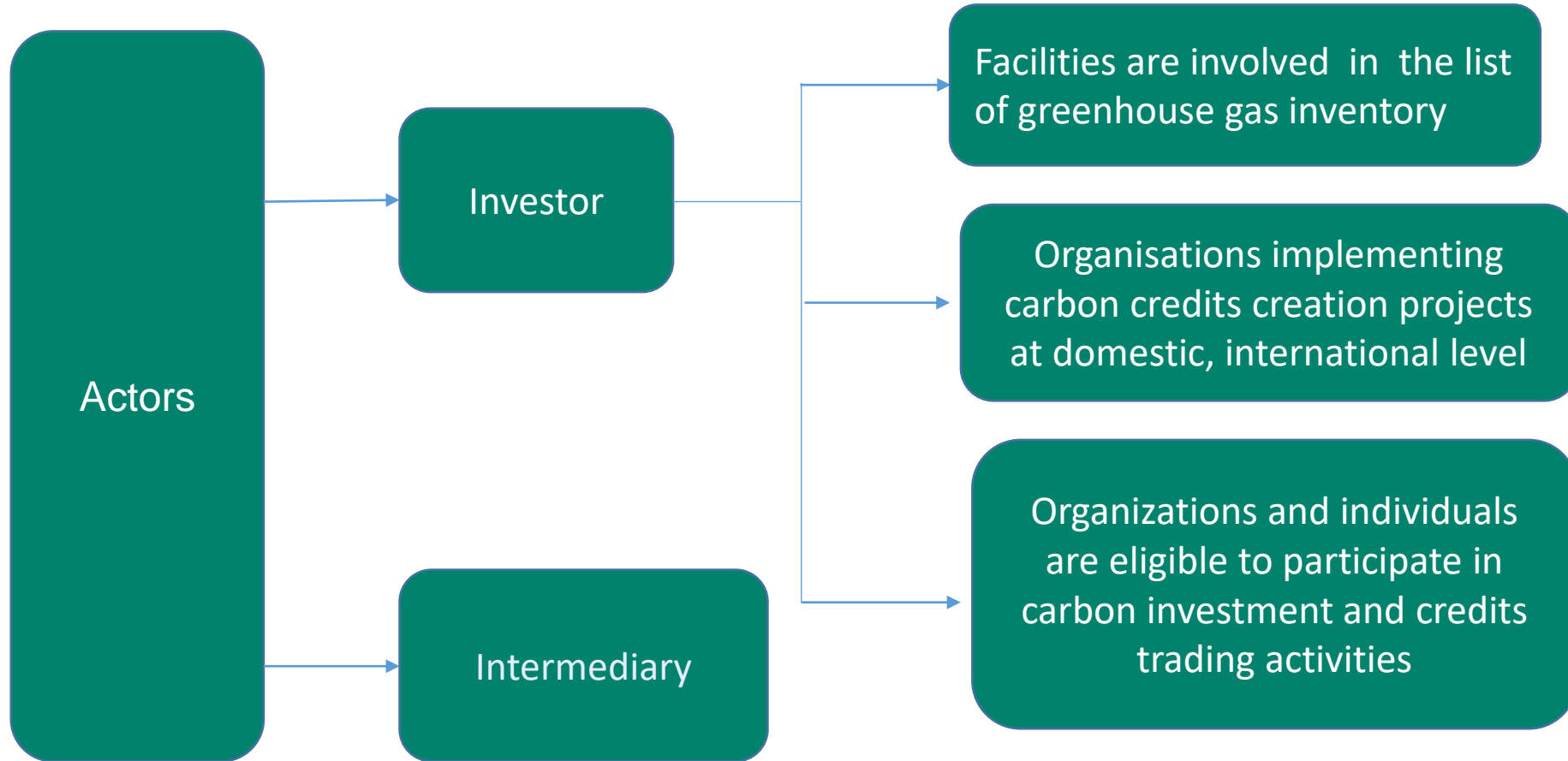
- Allocated by MONRE to facilities in list of GHG inventory

Carbon credits are certified by the Ministry of Natural Resources and Environment to be traded on the carbon market

- Created from domestic programs and projects;
- Created from international carbon credits creation programs and projects;



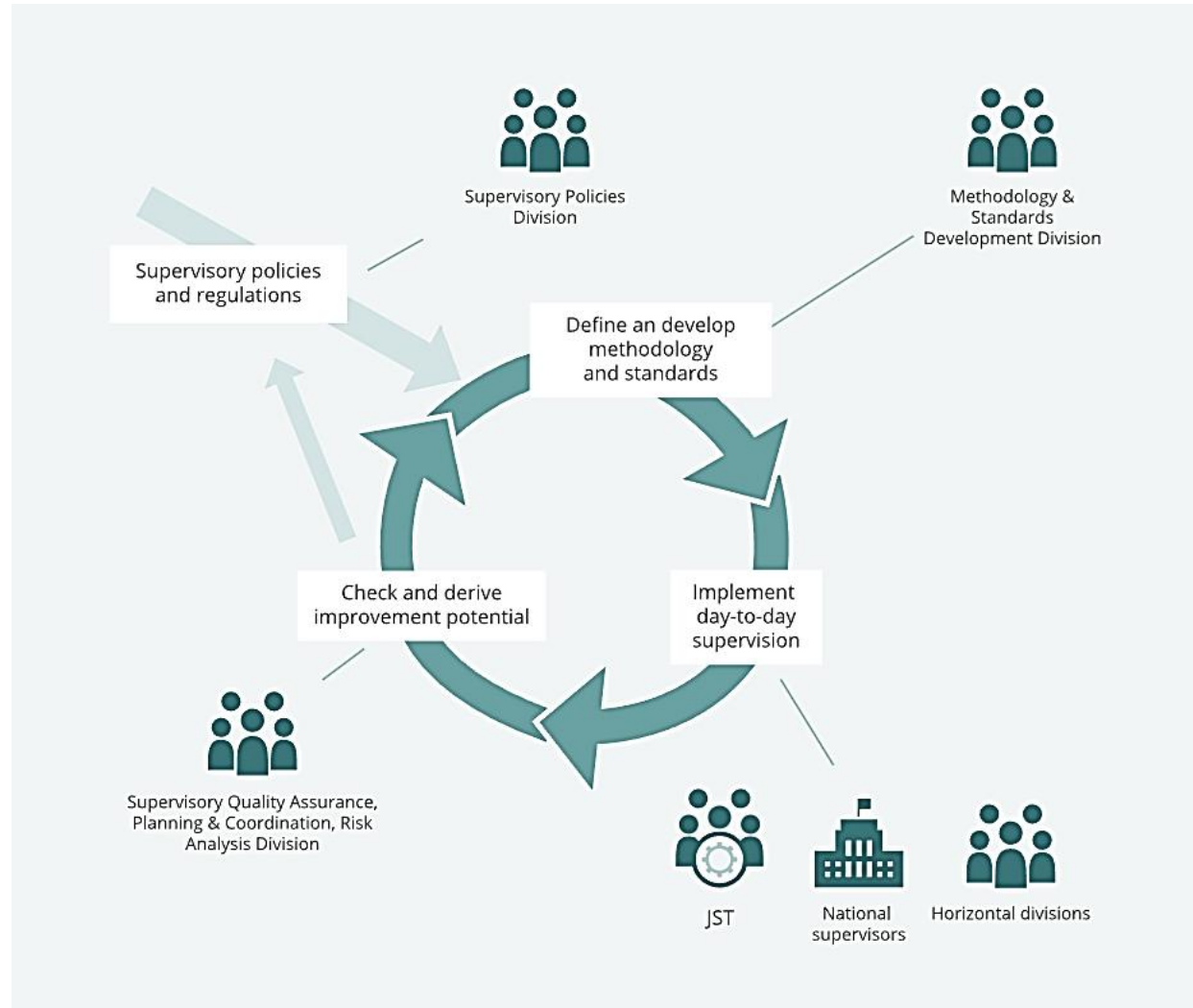
2.2. Actors in carbon market



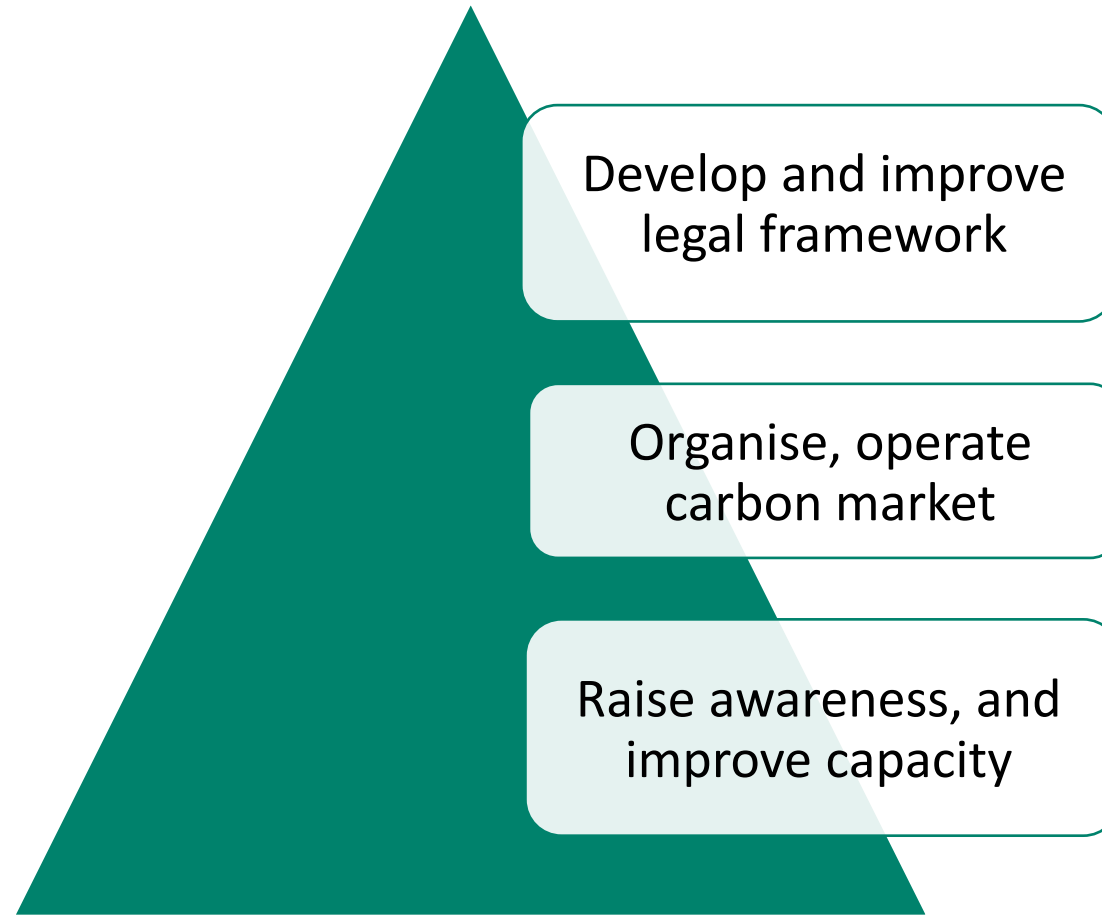
2.3. Carbon market organization



2.4. Carbon market monitoring & administration



3. Tasks and solutions



3.1. Legal framework development & finalization

Development of regulations on state management of carbon credit

Regulations on auction, transferring, borrowing, paying and recovering quotas

Development of legal framework for organising and operating carbon credit trading market

Develop a financial management mechanism for carbon credit market operations

Promulgate regulations on procedures, measurement techniques, and appraisal reports of greenhouse gas emissions reduction



3.2. Carbon market organization & operation

Manufacturing
goods

Strengthening
organizational
structure, human
resources, and
technical
infrastructure

Managing,
Inspecting, and
Monitoring



3.3. Awareness raising & capacity building

Disemminating, and
raising awareness

Developing human
resource

Supporting enterprise in
transforming

Developing Information
system



4. Roadmap

Until the end of 2024

- Legal framework and technical infrastructure will be finalized
- Improve the management capacity of state agencies and the awareness of the business

2025-2027

- Pilot carbon credit trading market will be established, evaluate results
- Continue improving legal framework and technical infrastructure

From 2028

- Carbon credit trading market will be operated officialy
- Research on connection between carbon markets at regional and global level.



Thank for listening!

