

CDM project proposal currently approved, considered and experiences from CNA

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CNA in Viet Nam

1. Establishment

**International
Cooperation
Department, MONRE**

□ **Foundation:**

- Official Document No. 502/BTNMT-HTQT dated 24 March 2003
 - Promulgating CNA of Viet Nam at COP 9 of UNFCCC, Milano, Italy, 12/2003
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CNA in Viet Nam (Cont.)

2. Functions and tasks

- ❑ Building national assessment criteria, regulations and guidelines on Clean Development Mechanism (CDM).
- ❑ Assessing CDM projects at the national level.
- ❑ Submitting potential CDM projects to CDM National Executive and Consultative Board (CNECB) for evaluating them.
- ❑ Receiving, assessing and submitting Project Idea Note (PIN) or Project Design Document (PDD) of CDM projects to the Minister of MONRE for issuing a formal letter of endorsement or letter of approval respectively.
- ❑ Providing CDM information to interested investors, related organizations, consultants and public.
- ❑ Managing and co-ordinating CDM activities and investment in Viet Nam.



CNECB in Viet Nam

1. Establishment

- Decision No. 553/QD-BTNMT dated 29 April 2003
- Decision No. 813/QD-BTNMT dated 8 July 2004



CNECB in Viet Nam (Cont.)

2. Members of CNECB

- ❑ MONRE (one chairperson, one permanent representative and one secretary)
- ❑ Ministry of Foreign Affairs (MOFA)
- ❑ Ministry of Finance (MOF)
- ❑ Ministry of Planning and Investment (MPI)
- ❑ Ministry of Trade (MOT)
- ❑ Ministry of Science and Technology (MOST)
- ❑ Ministry of Agriculture and Rural Development (MARD)
- ❑ Ministry of Industry (MOI)
- ❑ Ministry of Education and Training (MOET)
- ❑ Viet Nam Union of Science and Technology Associations (VUSTA)

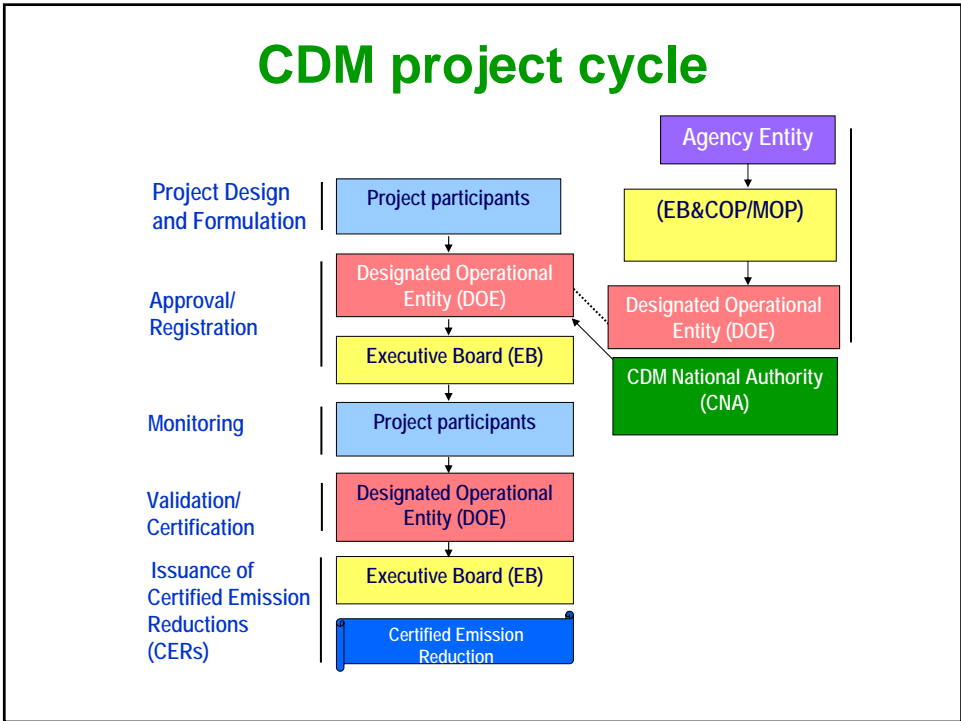
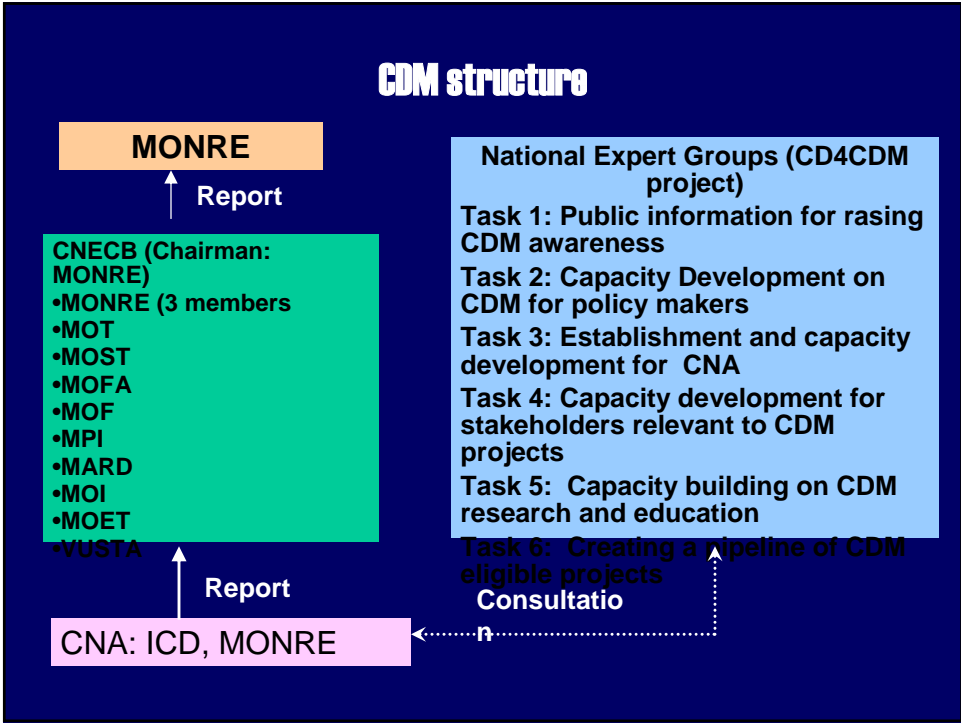


CNECB in Viet Nam (Cont.)

3. Functions and tasks

- Providing consultation to MONRE on policies related to development, implementation, management of CDM activities in the country.
- Providing consultation on guidance and assessment for CDM projects in Viet Nam under the Kyoto Protocol and UNFCCC.

Annual meetings of CNECB: 2 times, one in April and the other in September.





CDM project currently approved

- **Name of project:**

Rang Dong Oil Field Associated Gas Recovery and Utilization Project in Ba Ria - Vung Tau Province (located about 140km off the south-eastern coast of Viet Nam)

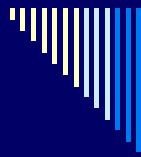
- **Project participants:**

- ✓ Vietnam Oil and Gas Corporation PETROVIETNAM: the Vietnamese State Oil and Gas Company
- ✓ Japan Vietnam Petroleum Co., Ltd: a company established and existing under the laws of Japan
- ✓ PETROVIETNAM Exploration and Production Company: a wholly owned subsidiary of PETROVIETNAM.
- ✓ CONOCOPHILLIPS GAMA Ltd.: a company incorporated under the laws of England



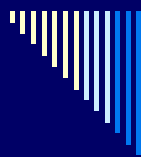
CDM project currently approved (cont.)

- **Purpose:** the recovery and utilization of gases produced as a by-product of oil production activities. This by-product gas was disposed at the platform via a combustion process emitting largely CO₂
- **Activities:**
 - construction of a gas pipeline and compressor facilities to recover and transport the by-product gas which is processed into dry gas, LPG and Condensate.
 - Such dry gas will be supplied to the nearby power plants (Phu My and Ba Ria), LPG will be consumed domestically as home cooking fuel and condensate will be used to produce gasoline



CDM project currently approved (cont.)

- **Expected results:**
 - Provide an additional source of clean-burning natural gas and contribute to reduction of import dependency of petroleum products.
 - Reduce price of gas provided to the power plant about half the rate obtained through other gas fields.
 - Emission reduction potential: 6.74 million tonnes CO₂
- **Current status:** PDD of the project was approved by Viet Nam in May 2004. The project has been validated and considered to registration as a CDM project by international authority entities.



CDM project currently considered

- **Name of project:** The model project for renovation to increase the efficient use of energy in Brewery
- **Project site:** Thanh Hoa City, Viet Nam
- **Objective of the project:** Renovation of medium-size brewery plant BIA THANH HOA in Viet Nam for energy conservation where GHG emission will be reduced by reducing energy consumption in the beer production process.



CDM project currently considered (Cont.)

- **Emission reduction potential:** 10,476 tons CO₂ per year.
- **Estimated cost of implementation:** 3.64 million USD
- **Contribution to sustainable development:** Significant cost reduction for electricity, coal, oil and water in beer production process. Leveling of peak electric power demand.



Project Idea Note

1. **Name of Project:** Wind+Diesel Hybrid Electricity Supply System for Phu Quy Island, Binh Thuan Province, Viet Nam
 - **Type of the project:**
 - Greenhouse gases targeted: CO₂
 - Type of activities:
 - Renewable Energy Project: Renewable electricity generation for a grid
 - **Project site:** Phu Quy Island, Binh Thuan Province, Viet Nam.
 - **Objective of the project:** to generate renewable electricity utilizing wind resources and to sell the generated output to Phu Quy Island.



Project Idea Note (cont.)

- **Emission reduction potential:** 106,371.9 tCO₂ for the 10 years of crediting period.
- **Duration of the project activity:** 2006-2016
- **Contribution to sustainable development:**
 - No associated emissions and waste products.
 - Adverse impacts from the project, if any are far outweighed by the favorable impact it will have by reducing air, water and soil pollution that may be caused by fossil-fired plants.
 - By using wind plants, annual thousand of diesel tons will be saved, therefore very large amounts of CO₂ emissions will be also avoided.



Project Idea Note (cont.)

2. **Name of Project:** *"Rừng Vàng" Reforestation of newly allocated land in A Luoi- North Central Viet Nam*
- **Project site:** A Luoi District, Thua Thien Hue Province, Central Vietnam
 - **Greenhouse gases targeted:** CO₂
 - **Type of activities:** Sequestration
 - **Field of activities:** Reforestation of degraded temperate grasslands or arid lands by tree planting and plantations for wood products



Project Idea Note (cont.)

- Objectives of the project:
 - Reduce Climate Change by sequestering carbon from the atmosphere
 - Reduce vulnerability of the local predominantly ethnic minority poor, raise their living standards and empower them
 - Increase biodiversity and reduce illegal logging *in situ*
- Emission reduction potential: 9.18 tCO₂e/ha/yr



Project Idea Note (cont.)

- Environmental benefits:
 - Quality of the rural livelihood increases
 - Regenerating soils and young forests will increasingly provide habitats for micro and macro fauna.
 - Damage through illegal logging from natural forests is halted in existing forest that are allocated (generating VER)
- Socio-economic benefits
 - Decrease of vulnerability of local people
 - Increase of long-term income through forest products
 - Increase of gender balance, through land allocation to men and women together
 - Capacity development regarding participative processes at community level (increased local governance)



Project Idea Note (cont.)

3. **Name of Project:** Establishing the protection forest of Ngan Pho river s' watershed area of Huong Son district, Ha Tinh province.
- **Type of the project:**
 - Greenhouse gases targeted: CO₂
 - Type of activities: Absorb CO₂
 - **Project site:** Ha Tinh province
 - **Objective of the project:** Increasing the forest cover in-order to maintain the floods and erosion control, and protection of agriculture production as well as biodiversity; abating greenhouse gases, creating more works for local people and contributing to the hunger eradication and poverty alleviation program in Vietnam.



Project Idea Note (cont.)

- **Socio-economic aspects**
 - The project will create job and raise local income that will contribute to stability of social relationship amongst and each village and commune within the site.
 - Environment is protected and water supply is sufficient that will promote production development and improve living standard for local communities of 7 districts and cities relying upon water source of Ca river system.



Project Idea Note (cont.)

□ Environment benefits:

- The project will create a large area of forest cover including natural forest as well as mixed plantation forest that will contribute to protect forest ecosystem and conserve biodiversity value of the site. Afforestation, forest protection and management activities will conserve precious indigenous plant species
- The project will give an opportunity to conserve and recover wildlife population of the site.
- Local community within the project site could collect and use non-timber forest products in sustainable way that will create additional source of income for locals.
- Contributing to reduce the amount of greenhouse gas emission in the world. It also protects ecosystem, biodiversity and sustainable use of natural resources for human being.



Project Idea Note (cont.)

4. Name of Project: Pilot Rice Husk Power Project in Tien Giang, Viet Nam

□ Type of the project:

- Type of activities: Renewable energy project

□ Project site: Tien Giang Province, Mekong Delta-South Viet Nam

□ Objectives of the project:

- Use for electricity generation rice husk
- Collect and sell the rice husk ash for local agricultural fertilization and building material production.
- Raise the income of rural households living in Mekong Delta through purchasing their rice husk
- Replace the fossil fuel-based electricity with biomass-based electricity for paddy and rice husking station in Mekong Delta.



Project Idea Note (cont.)

- **Environment benefits:**
 - Curbing the local open-air burning of rice husk
 - Improving the local waste management and take advantage of local abundant rice husk potential for GHG-neutral energy generation
- **Socio-economic aspect:**
 - Raising the income of rural households by purchasing their wasted rice husk
 - Contributing to the GHG-neutral electricity and heat to improve the local energy supply in framework of the national program on energy conservation and saving.



Experiences from CNA

- Strengthening cooperation between CNA and related ministries to facilitate CDM activities.
- 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

Next CDM activities in Viet Nam (Cont.)

- Enhance CDM project development skills (project design, documentation, negotiation) for project developers, stakeholders.
- Improve capacity and skills for CNA (DNA) staffs and CNECB members.
- Develop and implement CDM projects.
- Integrate CDM issues into local and national development strategies, plans.
- Participate in the international and regional conferences, workshops to learn and share experiences from other countries.



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