



MINISTRY OF NATURAL RESOURCE AND ENVIRONMENT
**Institute of Strategy and Policy on
Natural Resources and Environment**

Initial steps for Low Carbon Development in Vietnam

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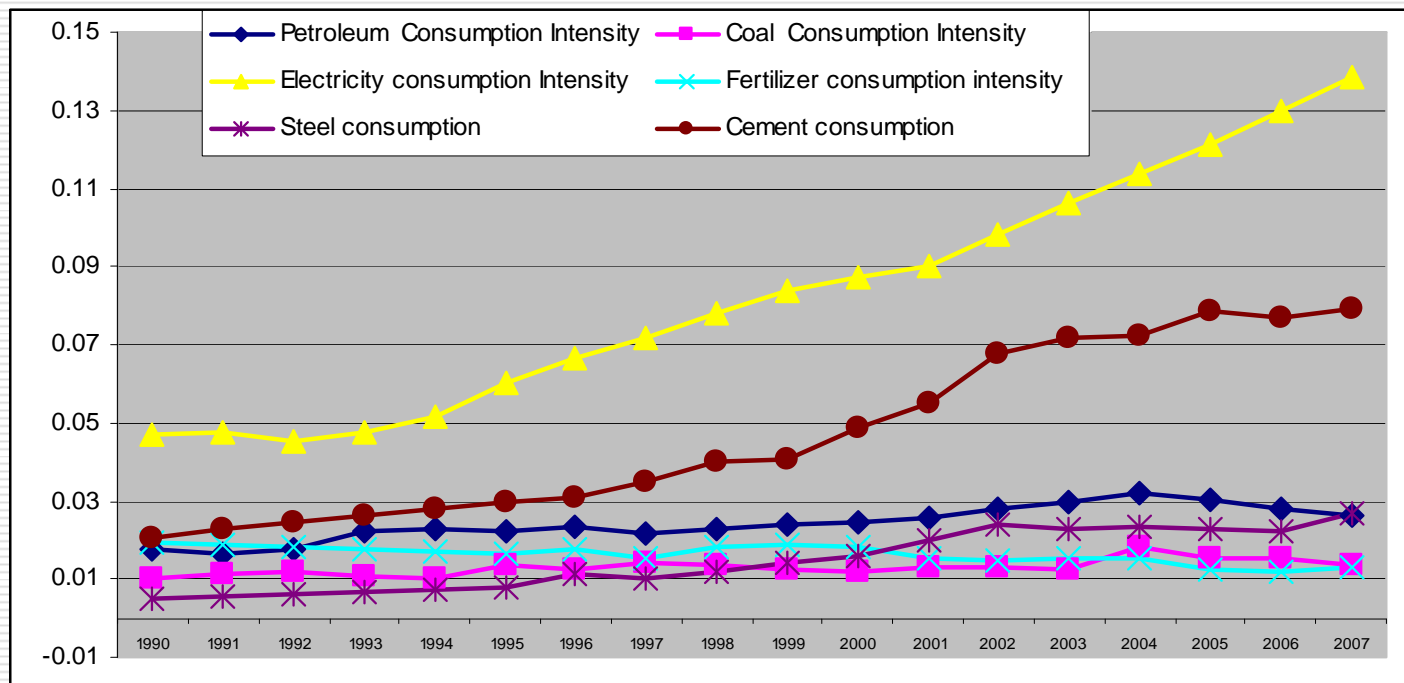
The 16th AIM International Workshop
Tsukuba, February 2011

Trends in Vietnam

- Economic growth accompanied with increasing energy consumption:
 - Doubled 1990-2005 (15% per annum)
 - Predicted annual increase of 18% by 2030
- Traditional energy sources is major (by 2025 65% of inputs for power generation will be coal & oil)
- Higher intensity of energy use for an economic output unit than many countries in the region (lower energy efficiency indicator)
- Rapidly increased CO₂ emission, though VN's contribution to world GHGs is not big yet.

Trends in Vietnam

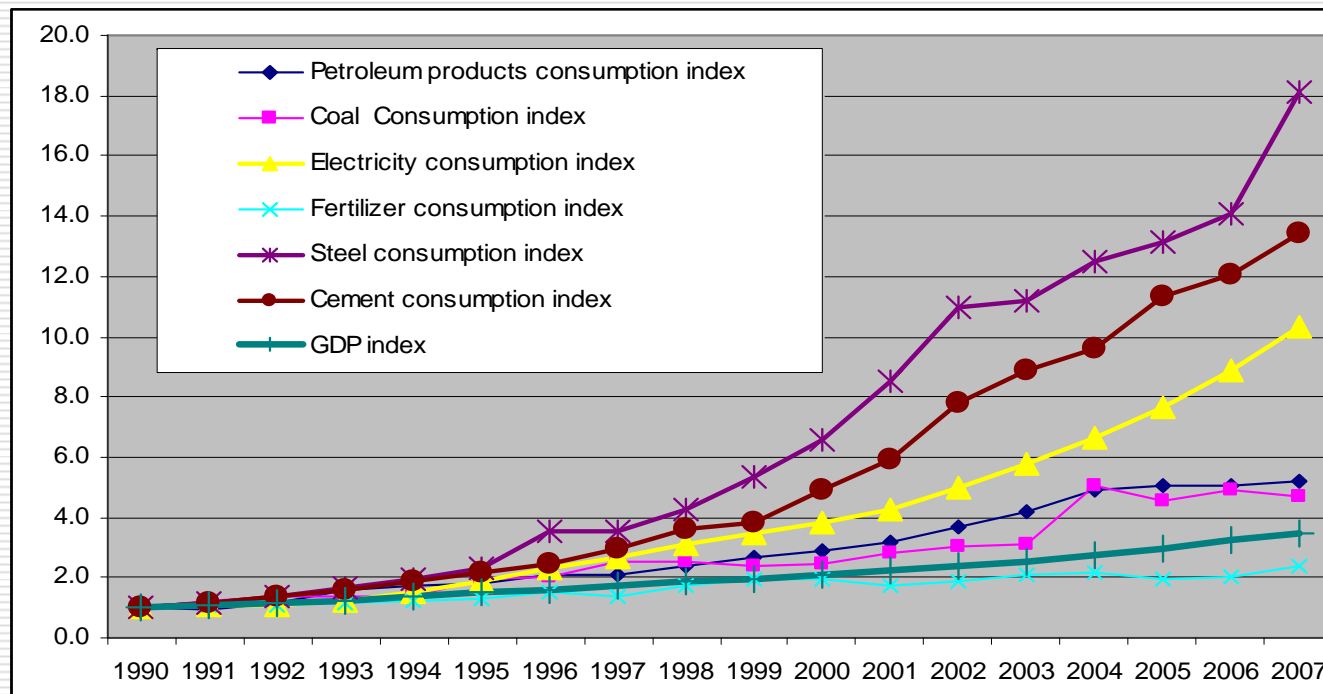
Trend of intensities of inputs used in the period of 1990-2007 (Unit: unit of inputs used per mil. VND)
(GDP at 1994 constant prices)



Source: UNESCAP and CIEM, 2009

Trends in Vietnam

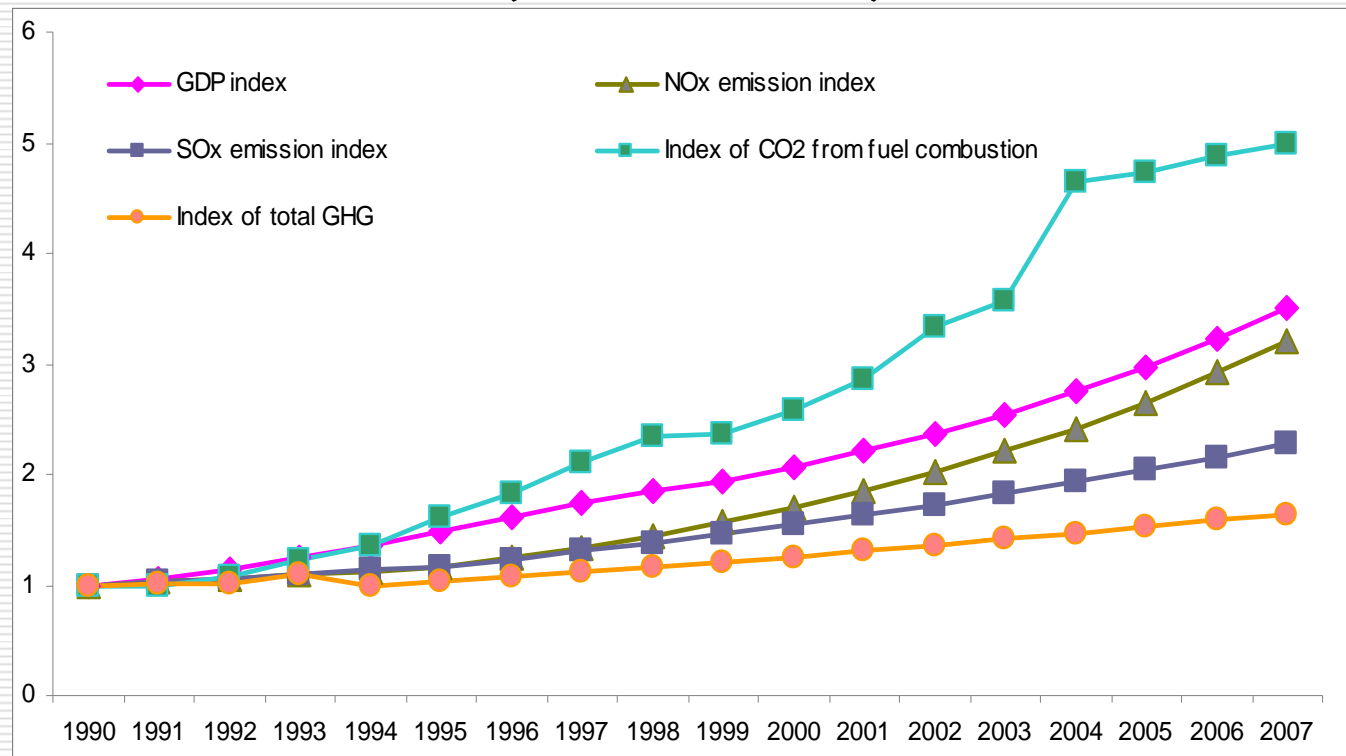
Comparison of GDP growth and key inputs consumption indices (Year 1990=1)



Source: UNESCAP and CIEM, 2009

Trends in Vietnam

Comparison of GDP and pollutants emissions (Year 1990=1)



Source: UNESCAP and CIEM, 2009

LCS opportunities for Vietnam

- ❑ Vietnam has potentials of clean energy and renewable energy
- ❑ Synergies that create large “no-regrets” zones across multiple policy goals
- ❑ Govt. recently considered economic restructuring
- ❑ Low carbon development has been recently mentioned in Govt.’s documents
- ❑ LCS is a new concept for VN, however its neighboring concept Green Growth is quite familiar

Initial steps for LCS in Vietnam

- Low carbon development was mentioned in the Vietnam's NTP to Respond to CC:
 - Objective #6: "Enhancing international cooperation to take advantages of foreign supports and assistance in the area of responding to CC; taking advantages of any opportunity of ***low carbon development***; contributing to international community's efforts in mitigating CC and protecting global climate".
- Was then mentioned in the MONRE Action Plan to Respond to CC (2011-2015)
 - Prioritized task #5: "Researching and proposing mechanisms, policies and technology direction towards mitigating GHGs; ***exploring opportunities to implement low carbon development***" (assigned to ISPONRE, starting 2011)

Initial steps for LCS in Vietnam (cont.)

- MONRE works starting Y2011
 - MONRE state funded studies
 - UNDP funded study - IMHEN (Institute of Meteorology, Hydrology and Environment)
 - JICA funded study - ISPONRE (Institute of Strategy and Policy on NRE)
 - AIM approach
 - Phase 1(*): 4-5 years: data gathering and validation; selecting appropriate suit of models; designing LCS scenarios, determining counter-measures, roadmap

**(Phase 2: assessing impacts and costs)*

Initial steps for LCS in Vietnam (cont.)

- MPI: WB-funded feasible study on Low Carbon Development
 - Key sectors: energy, transportation, energy used sectors
 - PAGE09 integrated assessment model, developed by Prof. Chris Hope from Cambridge Univ. (more appropriate to regional scale or a big country rather than a small economy like Vietnam?)
 - Good opportunity to have a comparison between approaches

Next steps

- Setting up a LCS team
 - Led by senior experts which are assisted by a working group
 - MONRE (ISPONRE, IMHEN, DMHCC)
 - MPI and other line ministries/agencies
 - Universities, researchers
- Organizing inception workshop to introduce about low carbon development approaches and initial steps in Vietnam (March-April 2011)

Next steps

- ❑ Developing LCS is a long way process, requires good cooperation and coordination
- ❑ Information-sharing and discussion among institutes currently working on LCS studies is essential

Proposed supports from AIM team and participating countries to Vietnam

- AIM team participation to the April Inception Workshop (to introduce LCS)
- Capacity building for VN LCS team:
 - Text books/papers
 - CGE training workshop in NIES office (June)
 - Short training courses in Vietnam (before June training course)
 - Modeling (1st phase): End-use model, ExSS tool
 - Methods of data gathering and validation, survey?
- Developing a proper suit of models for Vietnam specific case
- Information sharing (lessons learnt about coordination, scenario development, etc.)



Thank you very much!

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