THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness

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DECREE

ON MITIGATION OF GREEN HOUSE GAS (GHG) EMISSIONS AND PROTECTION OF OZONE LAYER

Pursuant to the Law on Governmental Organization dated June 19, 2015; the Law on amendments to the Law on Government Organization and the Law on Local Government Organization dated November 22, 2019;

Pursuant to the Law on Environmental Protection dated November 17, 2020;

At the request of the Minister of Natural Resources and Environment;

The Government promulgates a Decree on mitigation of GHG emissions and protection of ozone layer.

Chapter I

GENERAL PROVISIONS

Article 1. Scope

This Decree elaborates some Articles of the Law on Environmental Protection, including Article 91 on mitigation of GHG emissions, Article 92 on protection of ozone layer, Article 139 on organization and development carbon market.

Article 2. Regulated entities

This Decree applies to organizations and individuals related to GHG emission, mitigation of GHG emissions and absorption; development of domestic carbon market; production, import, export, consumption and settlement of ozone-depleting substances (ODS), greenhouse gases controlled under the Montreal Protocol on substances that deplete the ozone layer.

Article 3. Definitions

1. "Intergovernmental Panel on Climate Change (IPCC)" means an agency of the United Nations responsible for providing information and scientific grounds on climate

variability and change caused by human, effects of climate change on the nature, politics, economy and measures for response to climate change.

- 2. "ozone-depleting substances (ODS) and greenhouse gases controlled under the Montreal Protocol on substances that deplete the ozone layer (hereinafter referred to as "controlled substances")" means elements or chemical compound specified in Appendices A, B, C, E and F of Montreal Protocol.
- 3. "industrial processes" means industrial activities that cause GHG emissions from nonenergy consuming chemical and physical processes; means one of the fields that a GHG inventory must be developed according to the provisions of the United Nations Framework Convention on climate change.
- 4. "United Nations Framework Convention on climate change (UNFCCC)" means an international environmental treaty with the aims of mitigation of anthropogenic impacts on the global climate system, including stabilizing atmospheric GHG concentrations.
- 5. "carbon credit exchanging and offsetting mechanism" means mechanisms of registration and development of programs and projects on mitigation of GHG emissions and generation of carbon credits by methods certified by Vietnam or international countries. The carbon credits from these programs and projects are exchanged on the carbon markets or offset against GHG emissions exceeding GHG emission quotas allocated.
- 6. "nationally determined contributions (NDC)" means a country's commitment to respond to climate, including goals of adaption and mitigation of GHG emissions and policies and measures of responding to climate change in order to reach the goals of Paris Agreement.
- 7. "System for Measurement, Reporting and Verification (MRV) of mitigation of GHG emissions" (hereinafter referred to as "MRV system") means a system for collection, settlement, management, retention, supplement and examination of information and verification of results of mitigation of GHG emissions in order to ensure transparency, accuracy and verifiability.
- a) "Measurement" means activities of determining reduced GHG emissions of GHG emission mitigation measures according to measures certified by competent authorities;
- b) "reporting" means calculation, compilation and submission of GHG emissions mitigation rate measurement results and other relevant information according to the guidance, processes and schedules promulgated by competent authorities;
- c) "verification" means assessment of GHG emissions mitigation rate measurement result reports and other relevant information according to the methods issued by competent authorities;

- 8. "Business as usual (BAU) scenario" means theories on the basis of science about GHG emission rates in the usual economic-social development conditions in the future when GHG emission mitigation measures are yet to be carried out.
- 9. "GHG emission inventory development" means collection of information and figures about GHG emission sources, calculation of GHG emissions and absorption in a definite area and specific year according to the methods and processes issued by competent authorities;
- 10. "Montreal Protocol on ODS" means an international treaty on ozone layer protection by phasing out production and consumption of ODS and GHGs which impact negatively human health and environment.
- 11. "Nominal cooling capacity" means cooling capacity of refrigerating appliances or air conditioners under standard conditions which **is** stated on the manufacturer's labels.
- 12. "carbon trade exchange (CTX)" means a center handling (transactions that are) purchases and sale of carbon credits, GHG emission quotas and auctions, borrowing, return and transfer of GHG emissions quotas.
- 13. "Recycling of controlled substances" means the technological process for recovering components from controlled substances for use according to the characteristics of the original substance.
- 14. "Reuse of controlled substances" means the reuse of controlled substances after being cleaned without changing their properties.
- 15. "Tonne of CO2 equivalent" means the mass of GHG converted into tons of CO2 according to the global warming potential (GWP) of those GHG. The GWPs of GHGs are specified by IPCC.
- 16. "Paris Agreement" means an international treaty within the UNFCCC, which will come into force from 2021, stipulating the responsibilities of member states for adaptation and mitigation of GHG emissions through Nationally Determined Contributions.
- 17. "collection of controlled substances" means sucking controlled substances out of a system and storing them in an external container.
- 18. "GHG emission quotas exchange" means buying, selling, auctions, borrowing, return and transfer of GHG emissions quotas and carbon credits on the CTX.
- 19. "processing of controlled substances" means the process of destruction of controlled substances by technological and technical solutions to prevent negative impacts on human health and environment.

Article 4. Rules for mitigation of GHG emissions and protection of ozone layer

- 1. Mitigation of GHG emissions and protection of ozone layer shall be eligible for economic-social conditions, applicable laws and regulations and international treaties related to the purpose of developing a low-carbon economy and green growth associated with sustainable development.
- 2. Management of GHG emission mitigation activities must comply with the principles of responsibility, uniformity, fairness and transparency; GHG emission mitigation goals shall be adjusted by the Prime Minister according to national development priorities and international treaties to which the Socialist Republic of Vietnam is a signatory.
- 3. GHG emission quota exchange activities and carbon credits must ensure transparency and harmonious interests of participants in the carbon market. Organizations and individuals participate in the carbon market on .
- 4. Regulations on import and export of controlled ODSs and GHGs shall only be applied to member countries of the Montreal Protocol according to time schedules prescribed in the Protocol.

Chapter II

MITIGATION OF GHG EMISSIONS, ORGANIZATION AND DEVELOPMENT OF CARBON MARKET

Section 1. Mitigation of GHG emissions

Article 5. Entities for which GHG emission mitigation is mandatory

- 1. Establishments on the list of sectors and facilities emitting GHG must make an inventory of GHG promulgated by the Prime Minister.
- 2. The Ministry of Industry and Trade, the Ministry of Transport, the Ministry of Agriculture and Rural Development, the Ministry of Natural Resources and Environment, the Ministry of Construction.
- 3. Organizations and individuals other than those prescribed in Clause 1 of this Article are encouraged to carry out mitigation of GHG emissions in a manner that is suitable for their conditions and activities.

Article 6. Development and update on lists of sectors and facilities subject to GHG inventory development

1. GHG-emitting facilities that must carry out GHG inventory are facilities with annual GHG emissions of 3.000 tonnes of CO2 equivalent or more or in one of the following cases:

Thermal power plants, industrial production facilities with total annual energy consumption of 1.000 tonnes of oil equivalent (TOE) or more;

- b) Cargo transport companies with total annual fuel consumption of 1.000 TOE or more;
- c) Commercial buildings with total energy consumption of 1.000 TOE or more;
- d) Solid waste handling facilities with annual operating capacity of 65.000 tonnes or more.
- 2. The Ministry of Natural Resources and Environment shall take charge and cooperate with the ministries specified in Clause 2 Article 5 of this Decree and the provincial People's Committees in reviewing, compiling a list of sectors and facilities subject to GHG inventory and submitting to the Prime Minister for promulgation; submitting to the Prime Minister every 2 years for decision to update the list of sectors and facilities subject to GHG inventory.
- 3. The provincial People's Committee shall direct relevant affiliated professional agencies to perform the following tasks every 2 years:

Review figures of energy consumption, capacity and scale of facilities on the list of sectors and facilities subject to GHG emissions inventory in the year before the year of reviewing based on the criteria specified in Clause 1 of this Article;

b) Update and adjust the list of facilities subject to GHG emission inventory in their provinces according to the regulations prescribed in Clause 1 of this Article and submit it to the Ministry of Natural Resource and Environment and relevant ministries before June 30, from 2023.

Article 7. Goals, roadmap and approaches to GHG emission

- 1. The goals of mitigation of GHG emissions shall be approved by the Prime Minister in NDC, including the goals of GHG emissions mitigation for sectors of energy, agriculture, land and forestry use, waste management and industrial processes that are suitable for economic-social development conditions of the country and international treaties to which Socialist Republic of Vietnam is a signatory. More details are provided in Appendix I issued together with this Decree.
- 2. The Ministry of Natural Resource and Environment shall take charge and cooperate with relevant ministries and agencies in periodically updating the NDC according to the Paris Agreement on climate change and submit it to the Prime Minister for approval.
- 3. The Ministries specified in Clause 2 Article 5 hereof shall formulate and promulgate plans of GHG emissions mitigation of their sectors up to the end of 2030 with a phased implementation until 2025; implement management measures to achieve the GHG emissions mitigation goals prescribed in the NDC.

- 4. The facilities specified in Clause 1 Article 5 hereof shall carry out the GHG emission mitigation according to their own GHG emissions mitigation plans under facilities and the following roadmap:
- a) Providing operation information and figures for internal GHG inventory development, formulating and implementing GHG emissions mitigation measures adapting to specific conditions of the facilities.
- b) Implementing GHG emissions inventory, formulating and carrying out the GHG emissions mitigation plans according to the quotas allocated by the Ministry of Natural Resource and Environment subject to the goal of GHG emissions mitigation; exchanging and trading GHG emissions quotas and carbon credits on the CTX in the period from 2026 to 2030.
- 5. New investment projects shall be encouraged to apply technology, manufacturing processes, service supplement that emit less GHG or participate in mechanisms and methods for cooperation in GHG emissions mitigation subject to the law and the international treaties to which the Socialist Republic of Vietnam is a signatory.
- 6. Approaches to GHG emission mitigation include:
- a) Introduction of policies and management of GHG emissions mitigation;
- b) Industry-wide and internal Plans for GHG emissions mitigation;
- c) Technology, manufacturing processes and services emitting less GHGs;
- d) Mechanisms and methods for cooperation in GHG emission mitigation that are conformable with law and the international treaties to which the Socialist Republic of Vietnam is a signatory.

Article 8. Intensification of GHG absorption

- 1. Organizations, households, individuals and communities assigned or lent forests; assigned or lent lands to plant forests by the State; self-recovered and developed forests; transferred, donate, inherited forests according to the law shall be responsible for formulation and implementation of stable forest management measure and protection and increase of coverage, biomass and quality of the forests in order to intensify GHG absorption.
- 2. Entities specified in Clause 1 of this Article may participate in domestic and international carbon exchange and offsetting mechanisms subject to the law and the international treaties to which the Socialist Republic of Vietnam is a signatory.
- 3. The Ministry of Agriculture and Rural Development shall take charge and cooperate with the provincial People's Committees in:

Formulating goals and roadmap for GHG absorption from stable forest management, protection and increase of coverage, biomass and quality of forests attached together with industry-level plans of GHG emissions mitigation prescribed in Clause 3 Article 12 hereof;

- b) Collecting figures and calculating GHG absorption rates in forested ecological zones on the basis of forest survey and including them in the industry-level GHG inventory report as prescribed in Clause 3 Article 11 hereof;
- c) Monitoring and assessing implementation of the GHG absorption intensification operation from stable forest management, protection and coverage rates, biomass and qualities of forests on a national scale.
- 4. The Ministry of Natural Resources and Environment shall:
- a) Express opinions in writing for proposal for implementing programs and projects for participation in carbon credit offsetting mechanisms collected from GHG absorption intensification operation for the purpose of ensuring national goals of GHG emissions mitigation and international treaties to which Vietnam is a signatory;
- b) Manage and monitor implementation of programs and projects of participation in carbon credit offsetting mechanisms collected from GHG absorption intensification operation;
- c) Consolidating figures on GHG absorption on the national scale, formulate GHG national inventory reports every 2 years.

Article 9. National MRV System

- 1. Supervision of complying with regulations on GHG emissions mitigation shall be implemented via the National MRV System.
- 2. The Ministry of Natural Resource and Environment shall be in charge of the National MRV system and have responsibility to examine compliance with the regulations on MRV of GHG emissions mitigation specified in Article 10 hereof; formulate and operate national online MRV database.
- 3. The Ministries prescribed in Clause 2 Article 5 hereof shall:

Formulate and promulgate MRV processes and regulations within their jurisdictions;

- b) Provide guidance on MRV of GHG emission mitigation for facilities under their management;
- c) Examine compliance with the MRV regulations by the facilities prescribed in Clause 1 Article 5 under their management;

- d) Formulate and operate online MRV databases under their management integrated with the national online MRV database as prescribed in Clause 2 of this Article.
- 4. Ministries and other relevant ministerial agencies shall:

Provide figures of operation and information relevant to MRV of GHG emissions mitigation at national-level and industry-level at the request of the Ministry of Natural Resource and Environment and the ministries prescribed in Clause 2 Article 5 hereof;

- b) Cooperate with the Ministry of Natural Resource and Environment and the ministries prescribed in Clause 2 Article 5 hereof in examining compliance with the MRV under their management.
- 5. The provincial People's Committee shall direct relevant affiliated professional agencies to:
- a) Examine implementation of GHG mitigation plans and compliance with the MRV regulations by the facilities prescribed in Clause 1 Article 5 under their management;
- b) Provide figures of operation and information relevant to measurement, reporting and verification of GHG emissions mitigation at national-level and industry-level at the request of the Ministry of Natural Resource and Environment and the ministries prescribed in Clause 2 Article 5 hereof.
- 6. The facilities prescribed in Clause 1 Article 5 hereof, the verifying units specified in Clause 1 Article 14 and other relevant organizations shall comply with MRV regulations; supply additional MRV information and figures at national level and industry-level at the request of the Ministry of Natural Resource and Environment and the ministries prescribed in Clause 2 Article 5 hereof.

Article 10. MRV contents

1. MRV requirements

- a) Measurement must be carried out according to the MRV procedures established by competent authorities and ensure accuracy, transparency, continuity and consistency of the measurement results. Measurement methods must be issued by state competent authorities on the basis of the regulations of UNFCCC and in consideration of conditions of Vietnam;
- b) Reports on GHG emissions mitigation must contain adequate and accurate information of measurement methods, operation figures, applicable emission factors, technology solutions, management approaches to GHG emissions reduction and mitigation results. Reporting must ensure the comprehensiveness of GHG emissions mitigation; be formulated according to the regulations on schedules, media and time prescribed in MRV procedures established by competent authorities;

c) Verification of reporting on GHG emissions mitigation must be carried out by eligible units according to the processes prescribed by the Ministry of Natural Resource and Environment and comply with detail guidelines of the ministries prescribed in Clause 2 Article 5 hereof; GHG emissions mitigation results shall be announced by competent authorities.

2. Measurement of GHG emission mitigation

- a) The facilities specified in Clause 1 Article 5 hereof shall carry out measurement of the GHG emissions mitigation result according to guidelines of sector management ministries;
- b) The Ministries specified in Clause 2 Article 5 hereof shall organize the result measurement at industry-level, including implementation of policies, regulations, strategies, programs, plans and measures of other GHG emissions mitigation under their management.

3. Reporting GHG emission mitigation

- a) The facilities prescribed in Clause 1 Article 5 hereof shall formulate annual reports on the previous year's GHG emissions mitigation according to the Form No. 02 of Appendix III issued together with this Decree and submit them to the Ministry of Natural Resource and Environment, the ministries prescribed in Clause 2 Article 5 hereof and professional agencies under the relevant provincial People's Committee before March 31 from 2027;
- b) The ministries prescribed in Clause 1 Article 5 hereof shall formulate annual industry-level reports on GHG emissions mitigation according to the Form No. 01 of Appendix III issued together with this Decree and submit them to the Ministry of Natural Resource and Environment before January 15 from 2024;
- c) The Ministry of Natural Resource and Environment shall have responsibility to review and prepare industry-level and internal reports on GHG emissions mitigation; prepare a consolidated report on GHG emissions mitigation.

4. Verification of GHG emission mitigation

- a) Internal verification of GHG emissions mitigation shall be carried out annually from 2026 by verifying units specified in Article 14 of this Decree according to the MRV procedures established by the ministries prescribe in Clause 2 Article 5 hereof;
- b) Industry-level verification on GHG emissions mitigation shall be carried out annually from 2023 by the ministries prescribed in Clause 2 Article 5 hereof and submitted it to the Ministry of Natural Resource and Environment;
- c) Consolidation of reports on verification of GHG emissions mitigation shall carried out by the Ministry of Natural Resource and Environment in cooperation with other

ministries and central authorities in order to formulate a national report on responding **to** climate change and other national reports on climate change according to international commitments on implementation of the UNFCCC;

d) Procedures for verification on GHG emissions mitigation shall be issued by the Ministry of Natural Resource and Environment.

Article 11. GHG inventory development

- 1. Requirements for GHG inventory development
- a) Methods of GHG inventory shall be applied according to GHG inventory development guidelines of IPCC;
- b) Operation figures serving GHG inventory development must ensure the continuity, accuracy and reliability, be suitable for examination, comparison and evaluation;
- c) GHG inventory reports must include adequate information of GHG inventory methods, operation figures, applicable emission factors and results;
- d) Verification of GHG inventory shall comply with verification procedures promulgated by the Ministry of Natural Resource and Environment and ensure the consistency and reliability;
- dd) Information about GHG inventory result at national-level and industry-level shall be announced on the websites of climate change authorities and authorities of relevant industries.
- 2. The Ministry of Natural Resources and Environment, the presiding agency of GHG national inventory development, shall:
- a) Direct organization of national-level GHG inventory development; determine GHG inventory period under sectors and facilities in order to ensure the unity according to the regulations;
- b) Disseminate GHG inventory methods at national-level and industry-level according to the guidance of IPCC;
- c) Cooperate with the sector management ministries in announcing the GHG inventory methods under facilities:
- d) Publish the list of emission factors serving GHG inventory development;
- dd) Control and ensure quality of GHG national inventory, provide guidance on verification on GHG inventory results at industry-level, prescribe the procedures of internal verification on GHG inventory results;

- e) Direct formulation and operation of the online database on GHG inventory; update operation figures and results of GHG inventory results and relevant information to the national database on climate change.
- 3. The ministries prescribed in Clause 2 Article 5 hereof shall:
- b) Organize GHG inventory development at industry-level and formulate national reports on GHG inventory according to Forms No. 01, 02, 03, 04, 05 of Appendix II issued together with this Decree and submit them to the Ministry of Natural Resource and Environment before January 31 from 2023;
- b) Provide guidance and organize internal GHG inventory development under their management for 2022 and submit the results to the Ministry of Natural Resource and Environment before January 12 from 2023;
- c) Examine compliance with the regulations on the GHG inventory of the facilities prescribed in Clause 1 Article 5 of this Decree under their management;
- d) Provide additional figures of operation and information serving national GHG inventory development at the request of the Ministry of Natural Resource and Environment;
- dd) Formulate and operate the online database on the GHG inventory under their management.
- 4. Every 2 years, the facilities prescribed in Clause 1 Article 5 hereof shall:
- a) Provide additional figures of operation and information relevant to the GHG inventory of the facilities of the year before the report period according to the guidelines of the sector management ministry before March 31 form 2023;
- b) Organize internal GHG inventory development and formulate reports on GHG inventory under facilities in every 2 years from 2024 according to Form No. 06 of Appendix II issued together with this Decree and submit them to the provincial People's Committees before March 31 from 2025 for verification;
- c) Complete the internal GHG inventory report and submit it to the Ministry of Natural Resource and Environment before December 01 of the report period from 2025.
- 5. Verification of industry-level GHG inventory results shall be carried out according to the verification procedures promulgated by the Ministry of Natural Resource and Environment prescribed by the regulations in clause 2 Article 5 of this Decree.
- 6. From 2024, verification of internal GHG inventory results shall be carried out by the provincial People's Committees affiliated-relevant professional agencies according to the

verification procedures promulgated by the Ministry of Natural Resource and Environment prescribed by the regulations in clause 2 Article 5 of this Decree.

7. Funding for the GHG inventory and the GHG inventory result verification prescribed in Clauses 2, 3, 5 and 6 of this Article shall be allocated from state budget under the state budget management division.

Article 12. GHG emissions quotas allocation

- 1. Based on the goals, roadmap for GHG emissions mitigation prescribed in Article 7 hereof and the GHG inventory results in the latest inventory period of the facilities specified in Clause 1 Article 5 hereof, the Ministry of Natural Resource and Environment shall propose the Prime Minister promulgating the total GHG emissions quotas and the proportions of quotas for reserve and quotas for auction for the period from 2026 to 2030 and every year.
- 2. Based on the total GHG emission quotas prescribed in Clause 1 hereof and the GHG inventory results in the latest inventory period and implementation of the GHG emissions mitigation under facilities, the Ministry of Natural Resource and Environment shall take charge and cooperate with relevant ministries in formulating and promulgating GHG emission factor of each product applicable to the facilities specified in Clause 1 Article 5 hereof in the period from 2026 to 2030 and in every year for manufacturing or business facilities and organizations of the GHG emissions quotas allocation.
- 3. Funding for the GHG allocation specified in Clause 2 hereof shall be allocated from state budget resource under the state budget management division.

Article 13. Plan for mitigation of GHG emissions

- 1. Requirements for mitigation of GHG emissions
- a) Plan for industry-level GHG emissions mitigation shall be formulated based on strategies, planning, plans of the industry; GHG inventory results and BAU scenarios in the planning period;
- b) Plans for GHG emissions mitigation under facilities shall be formulated based on properties, operation areas, capacities and available technological and manufacturing and business plans of the facilities; GHG inventory results and estimate the GHG emissions rates in the plan period;
- c) Measures for the GHG emissions mitigation chosen shall be specified in the NDC or suitable for technological and financial conditions, available, measurable, reportable and verifiable;

- d) Methods of determining decrease **in** GHGs of the GHG emissions measures shall be formulated according to guidelines on the methods of GHG emissions mitigation measurement certified by UNFCCC or promulgated by competent authorities;
- dd) There must be a plan for monitoring and reporting results of the GHG emissions mitigation measures according to the regulations on measurement, reporting and verification.
- 2. The ministries prescribed in Clause 1 Article 5 hereof shall formulate and approve GHG emissions mitigation plans of their industries until 2030with phased implementation schedule until 2025 and submit them to the Ministry of Natural Resource and Environment before January 31 from 2023;
- 3. An industry-level plan for GHG emissions mitigation formulated according to Form No. 01 of Appendix IV issued together with this Decree includes:
- a) A GHG inventory result of their industries of the latest year;
- b) A BAU scenario and estimated potential GHG emissions decrease;
- c) An objective of GHG emissions mitigation of each year from 2023 to the end of 2025 and from 2026 to the end of 2030 according to the objective of GHG emissions mitigation of the NDC;
- d) Chosen Measures for GHG emissions mitigation that are suitable for actual situation, technological situation, available resources, strategic environmental assessments for development strategies of national sectors and fields, national sector plans and technological and specialized plans with great impacts on the environment on the list prescribed by the Government;
- dd) Plan for monitoring implementation of the GHG emissions mitigation plan.
- 4. The facilities prescribed in Clause 1 Article 5 hereof shall:
- a) Formulate and carry out GHG emissions mitigation measures of the facilities in the period from 2023 to 2025 in a manner that is suitable for manufacture and business conditions of the facilities;
- b) Formulate and approve GHG emissions mitigation plans in the period from 2026 to 2030, annually adjust and update (if any) and submit them to the Ministry of Natural Resource and Environment, relevant ministries specified in Clause 2 Article 5 hereof and relevant specialized agencies under the provincial People's Committees before December 31 from 2025.
- 5. Internal plans for GHG emissions mitigation shall be formulated according to Form No. 02 of Appendix IV issued together with this Decree.

- a) GHG inventory results of facilities of the latest year;
- b) Estimated GHG emissions in the planning period without application of technology and measures for GHG emissions mitigation;
- c) Objective of GHG emissions mitigation of each year in the period from 2026 to 2030;
- d) Chosen measures for GHG emissions mitigation that are suitable for actual situation, technological situation, and available resources of the facilities;
- dd) Plan for monitoring implementation of the GHG emissions mitigation plan.
- 6. Revisions to plan for GHG emissions mitigation
- a) The ministries specified in Clause 2 Article 5 hereof shall revise their GHG emissions mitigation plans when there are changes prescribed in Clause 1 of this Article or factors and risks of major negative impact on socio-economic development strategies of sectors and localities and requested adjustment by ministers and heads of ministerial-level agencies;b) The facilities specified in Clause 1 Article 5 hereof shall revise their GHG emissions mitigation plans when there are changes specified in Point b Clause 1 hereof or at the request of their owners . 7. The People's Committee of province has responsibility to provide figures for the ministries prescribed in Clause 3 Article 7 of Decree serving formulation of ministerial plans for GHG emissions mitigation prescribed in Clauses 2 and 3hereof, participating in ministerial-level GHG emissions mitigation plans and monitoring the implementation by the facilities prescribed in Clause 1 Article 5 hereof under their management.

Article 14. Requirements for verifying units

- 1. Units verifying GHG emissions mitigation (hereinafter referred to as "verifying units") are organizations with verification capacity recognized by the UNFCCC; or be certified 14065 standard to the ISO on requirements for GHG verification and validation bodies to use in accreditation or other forms of accreditation; or have a certified technician who has completed a course on GHG inventory as required by the United Nations Framework Convention on climate change for the respective sectors.
- 2. The verifying unit shall carry out verification of GHG emissions mitigation according to the regulations of the Natural Resource and Environment and shall have responsibility for results of GHG emissions mitigation verification.
- 3. Any unit that wishes to be listed on the official climate change website as a qualified verifying unit shall submit Form No. 03 in Appendix III hereof to the Ministry of Natural Resources and Environment and prove its capacity of GHG mitigation verification.;

Article 15. The responsibility for monitoring GHG emission mitigation

- 1. The Ministry of Natural Resources and Environment shall have responsibility for management, examination supervision of GHG emission mitigation operation; examination and supervision of verification operation of the units prescribed in Clause 1Article 14 of this Decree.
- 2. The ministries specified in Clause 3 Article 5 of this Decree shall examine and monitor the GHG emission mitigation operation of the facilities subject to GHG inventory under their management
- 3. The specialized authorities under the relevant provincial People's Committees shall cooperate with the ministries prescribed in Clause 2 specified in Clause 3 Article 5 of this Decree in inspecting and supervising the GHG emission mitigation operation of the facilities subject to GHG inventory under their management 5 hereof in examining and monitoring GHG emission mitigation of the facilities specified in Clause 1 Article 5 hereof under management.

SECTION 2. ORGANIZATION AND DEVELOPMENT OF DOMESTIC CARBON MARKET

Article 16. Participants in domestic carbon market

- 1. The facilities prescribed in Clause 1 Article 5 hereof:
- 2. Organizations participating in domestic and international carbon exchange and offsetting mechanisms according to the law and the international treaties to which the Socialist Republic of Vietnam is a signatory.
- 3. Other organizations and individuals relevant to investment in and trading of GHG emission quotas, carbon credits on the carbon market.

Article 17. Development roadmap and deployment time of domestic carbon market

- 1. The period of up to the end of 2027
- a) Formulating carbon credit management regulations, GHG emission quota exchange and carbon credits; formulating operation rules of the CTX;
- b) Experiment with carbon exchange and offsetting mechanisms in potential sectors and providing guidance on operation of domestic and international carbon exchange and offsetting mechanisms in accordance with law and the international treaties to which the Socialist Republic of Vietnam is a signatory.
- c) Establishing and organizing trial operation of the CTX from 2025;
- d) Carrying out activities in order to improve capacity and raise awareness about carbon market development.

- 2. The period from 2028
- a) Organizing official operation of the CTX in 2028;
- b) Prescribing carbon credit connected and exchange between domestic, regional and global carbon market.

Article 18. Certification of eligible carbon credit, GHG emission quotas exchanged on domestic carbon market

- 1. The Ministry of Natural Resources and Environment shall certify carbon credits, GHG emission quotas that are traded on the exchange including:
- a) Carbon credit amount collected from programs and projects according to the domestic and international carbon exchange and offsetting mechanisms subject to the law and the international treaties to which the Socialist Republic of Vietnam is a signatory.
- b) GHG emission quotas allocated as prescribed in Clause 2 Article 12 hereof.
- 2. Procedures of certification
- a) The organization or individual that wish to have certification of traded carbon credits or GHG emission quotas as prescribed in Clause 1 of this Article shall submit an application according to Form No. 01 of Appendix V issued herewith to the Ministry of Natural Resources and Environment through online public service system for certification:
- b) Within 15 working days, the Ministry of Natural Resources and Environment shall organize verification, issue the certificate and send a notification to the applicant; if the application is rejected, explanation must be provided.
- 3. The certificate of traded carbon credits or GHG quotas shall be issued according to Form No. 02 of Appendix V issued herewith.

Article 19. Exchange of GHG emission quotas and carbon credits on domestic carbon market

- 1. The exchange of GHG emission quotas and carbon credit shall be carried out on the CTX and domestic carbon market under regulations.
- 2. Carbon credits and GHG emission quotas allowed to be traded
- a) GHG emission quotas prescribed in Clause 2 Article 12 are allowed to be traded on CTX. 01 GHG emission quota unit equals 01 tonne of CO2 equivalent;

- b) Carbon credits collected from programs and projects according to the carbon exchange and offsetting mechanisms are allowed to be offset against GHG emission quotas on the trading floor. 01 carbon credit equals 01 tonne of CO2 equivalent;
- 3. Auctions, transfer, borrowing, return of GHG emission quotas and use of carbon credits to offset against GHG emissions
- a) Facilities may auction to own more GHG emission quotas in addition to the amount of GHG emission quotas allocated in the same commitment period;
- b) Facilities may carry forward unused of GHG emission quotas in the previous year to the following years within the same commitment period;
- c) Facilities may borrow and use GHG emission quotas allocated to the following year for the previous year within the same commitment period;
- d) Facilities may offset carbon credits from projects under the carbon exchange and balancing mechanisms against GHG emissions exceeding the GHG emission quotas allocated in the same commitment period; The amount of carbon credits for offsetting must not exceed 10% of the total GHG emission quota allocated to the facilities;
- dd) The allocated GHG emission quotas will be automatically withdrawn by the Ministry of Natural Resources and Environment when a facility stops operating, is dissolved or goes bankrupt;
- e) The State encourages facilities to voluntarily return the unused GHG emission quotas for the purpose of contributing to the achievement of the national GHG emission mitigation;
- g) At the end of each commitment period, facilities must pay for GHG emissions exceeding the allocated GHG emission quotas after auction, transfer, loan, use of carbon credits for offsetting. Besides of payment, the amount of GHG emissions exceeding the GHG emission quotas allocated will be balanced with the GHG emission quotas allocated in the following commitment period;
- h) The Ministry of Natural Resources and Environment shall provide guidance on auctions, transfer, borrowing, return of GHG emission quotas.

Article 20. Registration of programs and projects according to carbon exchange and offsetting mechanisms

- 1. Entities formulating and implementing programs and projects according to carbon exchange and balancing mechanisms
- a) Vietnamese organizations that wish to formulate and execute these programs and projects;

- b) Foreign organizations that wish to formulate and execute these programs and projects in Vietnamese territory.
- 2. Entities specified in Clause 1 of this Article that execute programs and projects according to carbon exchange and offsetting mechanisms of UNFCCC, the international treaties and agreements to which the Socialist Republic of Vietnam is a signatory shall submits applications for approval of the programs or projects to the Ministry of Natural Resources and Environment through one of the following media: submitting in person, online or by postal service. An application for approval of the project includes:
- a) An application form for approval of the program or project according to Form No. 03 of Appendix V issued herewith;
- b) Documents of the program or project formulated according to guidelines of the Ministry of Natural Resources and Environment applicable to the regulations of The UNFCCC, treaties and agreements to which the Socialist Republic of Vietnam is a signatory;
- c) A technical report or a verification report for the program or project of a particular verification authority according to guidelines of the Ministry of Natural Resources and Environment applicable to the regulations of The UNFCCC, treaties and agreements to which the Socialist Republic of Vietnam is a signatory;
- d) A copy extracted from the master book or a certified true copy of each license and document relevant to specialized operation of the program or project according to applicable regulations.
- 3. The programs or projects according to carbon exchange and offsetting mechanisms shall be assessed and approved according to UNFCCC, the international treaties and agreements to which the Socialist Republic of Vietnam is a signatory.
- a) Within 05 working days after receiving the application, the Ministry of Natural Resources and Environment shall decide whether to accept the application if it is valid, or request supplementation of the application if it is not valid. Deadline for supplementation of the application must not exceed 15 working days after a written request for supplementation of the application is issued;
- b) Within 30 working days after receiving the valid application, the Ministry of Natural Resources and Environment shall assess the application for approval of the program or project through collection of opinions of relevant authorities. The enquired authorities shall be responsible for responding in writing within 7 working days after receiving the enquiry form attached with the application;
- c) Within 03 working days after the assessment result is available, the Minister of Natural Resources and Environment shall consider and approve the program or project and notify the applicant. If the application is rejected, explanation must be provided.

- 4. The Minister of Natural Resources and Environment shall promulgate regulations on the assessment of programs or projects according to carbon exchange and balancing mechanisms within UNFCCC and appoint climate authorities change to act as standing agencies for assessment.
- 5. The entities prescribed in Clause 1 of this Article that carry out the program or project according to carbon exchange and balancing mechanisms beyond the scope of UNFCCC, the international treaties and agreements to which the Socialist Republic of Vietnam is a signatory on the territory of Vietnam shall:
- a) Submit registration information to the Ministry of Natural Resources and Environment according to Form No. 04 of Appendix V issued herewith when they register the programs or projects;
- b) Annually provide information about execution of the programs or projects to the Ministry of Natural Resources and Environment according to Form No. 05 of Appendix V issued herewith before December 31 during the period of executing the programs or projects.

Article 21. Responsibility for development of domestic carbon market

- 1. The Ministry of Finance shall be in charge of formulation and establishment of the CTX and promulgate financial management mechanisms for operation of the carbon market.
- 2. The Ministry of Natural Resources and Environment shall take charge and cooperate with the relevant ministers in organizing trial and official operation of the CTX serving management and supervision of the carbon market; specifies activities to connect the domestic CTX and regional and global carbon market; prescribe implementation of carbon credit balancing mechanisms; formulate propaganda documents, carry out activities to improve capacity of carbon market participants.
- 3. The ministries, ministerial agencies, the provincial People's Committees shall have responsibilities to cooperate with the Ministry of Resources and Environment and the Ministry of Finance in implementing the regulations prescribed in Clauses 1 and 2 of this Article and activities for the purpose of fostering the development of the carbon market; propagate on the mass media to heighten awareness on the carbon market of the community.

Chapter III

PROTECTION OF OZONE LAYER

Article 22. Controlled ODSs and roadmap for management and phaseout of controlled ODSs

- 1. Controlled ODSs include:
- a) Bromochloromethane;
- b) Carbon tetrachloride (hereinafter referred to as "CTC");
- c) Chlorofluorocarbon (hereinafter referred to as "CFC");
- d) Halon;
- dd) Hydrobromofluorocarbon (hereinafter referred to as "HBFC");
- c) Hydrochlorofluorocarbon (hereinafter referred to as "HCFC");
- g) Methyl bromide;
- h) Methyl chloroform.
- 2. Roadmap for management and phaseout of HCFCs shall be carried out according to the following periods:
- a) The period from January 01, 2022 to the end of December 31, 2024: the total national consumption must not exceed 65% of baseline consumption;
- b) The period from January 01, 2025 to the end of December 31, 2029: the total national consumption must not exceed 32,5% of baseline consumption;
- c) The period from January 01, 2030 to the end of December 31, 2039: the total national annual-average consumption must not exceed 2,5% of baseline consumption;
- d) The period from January 01, 2040: HCFCs import and export will be forbidden.
- 3. The total national consumption of HCFCs is determined on the basis of the amount of HCFCs imported minus (-) the amount of HCFCs exported. The baseline consumption of HCFCs is 221,2 ODP tonnes.
- 4. Methyl bromide may only be imported for the purpose of sterilization and quarantine of exports.
- 5. Forbidden acts according to the regulations in Clause 11 Article 6 of the Law on Environmental Protection include:
- a) Manufacture, import, export, temporary import, re-export and consumption of Bromochloromethane, CTC, CFC, Halon, HBFC, Methyl chloroform and HCFC 141b;

- b) Manufacture, import, export, temporary import, re-export and consumption of products and equipment which contain or are manufactured from Bromochloromethane, CTC, CFC, Halon, HBFC, Methyl chloroform and HCFC 141b;
- c) Manufacture, import and consumption of products and equipment which contain or are manufactured from controlled substances which are forbidden;
- d) Manufacture, import and consumption of controlled substances which are banned according to the regulations of the Ministry of Natural Resources and Environment.

Article 23. Controlled GHG and roadmap for management and phaseout of controlled GHGs

- 1. Controlled GHGs is Hydrofluorocarbons (hereinafter referred to as "HFCs").
- 2. Roadmap for management and phaseout of HFC is carried out according to the following periods:
- a) The period from January 01, 2022 to the end of December 31, 2028: the total national consumption must not exceed the baseline consumption; the total national production must not exceed the baseline production;
- b) The period from January 01, 2029 to the end of December 31, 2034: the total national consumption must not exceed 90% of the baseline consumption; the total national production must not exceed 90% of the baseline production;
- c) The period from January 01, 2035 to the end of December 31, 2039: the total national consumption must not exceed 70% of the baseline consumption; the total national production must not exceed 70% of the baseline production;
- d) The period from January 01, 2040 to the end of December 31, 2044: the total national consumption must not exceed 50% of the baseline consumption; the total national production must not exceed 50% of the baseline production;
- dd) The period from January 01, 2045: the total national consumption must not exceed 20% of the baseline consumption; the total national production must not exceed 20% of the baseline production.
- 3. The total national consumption of HFCs
- a) The total national production of HFCs is determined on the basis of the amount of HFCs manufactured minus (-) the amount of HFCs destroyed, expressed as CO₂ equivalent;
- b) The total national import of HFCs is determined on the basis of the amount of HFCs imported minus (-) the amount of HFCs exported, expressed as CO2 equivalent;

- c) The total national consumption of HFCs is determined on the basis of the total national production of HFCs plus (+) the total national import of HFCs prescribed in Points a and b of this Clause.
- 4. The baseline production and consumption of HFCs
- a) The baseline consumption of HFCs is determined on the basis of the average consumption of HFCs expressed as CO2 equivalent of the years 2020, 2021 and 2022 plus (+) 65% of the baseline consumption of HCFCs specified in Clause 3 Article 22 of this Decree expressed as CO2 equivalent;
- b) The baseline manufacture of HFCs is determined on the basis of the average production of HFCs expressed as CO2 equivalent of the years 2020, 2021 and 2022.
- 5. The Minister of Natural Resources and Environment shall publish the production and consumption amount of HFCs of Vietnam before December 31, 2023; periodically publish the total national consumption specified in Clause 2 of this Article.

Article 24. Registering and reporting use of controlled substances

- 1. The following entities shall register manufacture, export and import; manufacture, import and ownership of equipment and products which contain or are manufactured from the controlled substances; collection, reuse, recycling and disposal of the controlled substances (hereinafter referred to as "organizations using controlled substances"), including:
- a) Organizations that manufacture controlled substances;
- b) Organizations that export or import controlled substances;
- c) Organizations that manufacture or import equipment and products which contain or are manufactured from the controlled substances:
- d) Organizations possessing equipment containing controlled substances: air conditioners with a nominal cooling capacity greater than 26.5 kW (90,000 BTU/h) and with a total nominal cooling capacity greater than 586 kW (2,000,000 BTU/h); industrial refrigeration equipment with electric power greater than 40 kW;
- dd) Organizations providing controlled substance collection, reuse, recycling and disposal services.
- 2. The entity prescribed in Clause 1 of this Article shall submit 01 registration application for use of the controlled substances (hereinafter referred to as "registration application") to the Ministry of Natural Resources and Environment before December 31, 2022 in person, online or by portal service. If the application is sent by post, the time of receipt of the application is determined based on the outgoing postmark.

- 3. A registration application includes:
- a) An application form for registration of use of the controlled substances according to Form No. 01 of Appendix VI issued herewith: 01 original copy;
- b) A written proof of the legal status of the registration organization according to the law: 01 true copy certified and sealed as a true copy of the original of the applicant.
- 4. Within 03 working days after receiving the applicant, the Ministry of Natural Resources and Environment shall notify the applicant of the acceptance of the valid application or request supplementation the application. Deadline for supplementation of the registration application must not exceed 05 working days after the request is issued;
- 5. Within 10 working days after receiving the valid registration application, the Ministry of Natural Resources and Environment shall process the registration application and publish the information about the completed registration the controlled substances on the website of the climate change authority.
- 6. The entities prescribed in Clause 1 of this Article shall send report on use of the controlled substances to the Ministry of Natural Resources and Environment in person, online or by portal service before January 15 of each year according to the regulations in Form No. 02 of Appendix VI issued herewith. If the report is sent by post, the time of receipt of the application is determined based on the outgoing postmark.
- 7. The entities prescribed in Clause 1 of this Article that are established after December 31, 2022 shall submit the registration application to the Ministry of Natural Resources and Environment and report the use of the controlled substances according to the regulations in this Article.

Article 25. Requirements of allocation, adjustment and increase of controlled substance manufacture/import quotas

- 1. Manufacture/import quotas are applied to the controlled substances prescribed in Point e Clause 1 Article 22 and Clause 1 Article 23 hereof.
- 2. The quota allocated each year to the organizations must not exceed the total national consumption of the controlled substances.
- 3. The annual allocation of controlled substance manufacture/import quota to an organization is determined according to the quota management requirement, demands and average consumption of the organization in the last 3 years. The total allocated quota must not exceed 80% of the quota prescribed in Clause 2 hereof.
- 4. The allocation of remaining quotas is carried out according to the priority orders as follow:

- a) Organizations that use controlled substances with low global warming potential have and wish to have their quota increased. The low global warming potential is determined according to the national plan on management and phaseout of controlled substances of Vietnam;
- b) Organizations that register after December 31, 2022;
- c) Organizations that have been allocated quotas and wish to have their quotas increased.
- 5. Organizations allocated quotas may only use quotas in the year in which they are allocated.
- 6. The allocation of controlled substance manufacture/import quotas to organizations which register after December 31, 2022 is determined on the basis of assessment of quota using demand registration application, company's capacity dossier and balance of the total remaining national quota.
- 7. Organizations using GHGs with low global warming potential may request increase in manufacture/import quota according to rating based on consumption rates expressed as CO2 equivalent of the organizations in the last 3 years.
- 8. Quotas shall be adjusted or increased at the request of the requesting organization and according to the organization's use of allocated the quotas and the remaining national quota.
- 9. Organizations which import controlled substances according to the allocated quotas and then export them may request increase in import quota that do not exceed the export amount.

Article 26. Procedures of allocation, adjustment, supplementation and cancelation of allocation of controlled substance manufacture/import quotas

- 1. Organizations carrying out manufacture/import of the controlled substances prescribed in Points a and b Clause 1 Article 24 hereof may request allocation of manufacture/import quota for the controlled substances.
- 2. According to the regulations in Articles 24 and 25 hereof, within 30 working days, the Ministry of Natural Resources and Environment shall consider allocation of manufacture/import quotas to the organizations according to the regulations in Form No. 03A of Appendix VI issued herewith by the following activities:
- a) Reviewing and assessing registration information and reporting using status of controlled substances of organizations;
- b) Comparing the total national consumption with goals and requirements of management of the controlled substances;

- c) Organizing site inspection in order to verify registration information, assess documents about manufacture capacity and technology if necessary;
- d) Asking for opinions in writing of the Ministry of Industry and Trade on quota allocation plan. The Ministry of Industry and Trade shall provide opinions within 10 working days after receiving the enquiry form.
- 3. The organization that wishes to have manufacture/import quotas of the controlled substances adjusted or increase shall submit a request application according to Form No. 04 of Appendix issued herewith to the Ministry of Natural Resources and Environment in person, online medium or by portal service before July 10 every year. Quota shall be adjusted or increased in order of quota allocation. The Ministry of Natural Resources and Environment shall consider and decide adjustment or increase of manufacture/import quotas within 30 working days according to Form No. 03B of Appendix VI issued herewith.
- 4. The climate change authority shall notify allocation, adjustment and increase of controlled substance manufacture/import quotas to the applying organization within 03 working days according to Form No. 05B of Appendix VI issued herewith.
- 5. The decisions on allocation, adjustment or increase of import quotas shall provide the basis for import/export control of the Ministry of Finance. An import organization shall submit the following documents to the customs authorities after carrying out import procedures:
- a) An notification of allocation, adjustment or increase of controlled substance manufacture/import quotas issued by the climate change authority: 01 original;
- b) Other documents according to the law on customs.

The monitoring of quota deduction shall be implemented through the National Single Window Portal once it is connected.

- 6. The Ministry of Natural Resources and Environment shall cancel allocation of controlled substance manufacture/import quotas according to Form No. 06 of Appendix VI issued herewith in the following cases:
- a) Information in the report prescribed in Point b Clause 1 of this Article is incorrect;
- b) The decision on allocation, adjustment or increase of controlled substance manufacture/import quotas is illegally used or transferred;
- c) Other violations according to the law.

The climate change authority shall notify cancelation of controlled substance manufacture/import quota allocation to the relevant authorities and organizations within 03 working days from the date of the decision on cancelation of the quota allocation.

- 7. The Ministry of Natural Resources and Environment shall appoint the a climate change authority to review, assess and monitor registration, report and other activities for allocation, adjustment and cancellation of controlled substance manufacture/import quotas.
- 8. The Ministry of Natural Resources and Environment shall cooperate with the relevant state management authorities in connecting the National Single Window Portal system with online public service systems under their management for quota allocation and import/export management of the controlled substances on the systems before June 30, 2022.

Article 27. National plan on management and phaseout of controlled ODSs and GHGs

- 1. The national plan on management and phaseout of controlled ODSs and GHGs shall be applicable to the national agreements on ozone layer protection to which the Socialist Republic of Vietnam is a signatory; conditions of management and phaseout of the controlled ODSs and GHGs in Vietnam.
- 2. Major contents of the national Plan on management and phaseout of controlled ODSs and GHGs include:
- a) Assessment of the current use, management and phaseout of the controlled ODSs and GHGs effects are controlled; estimate of changing trends; goals, roadmap, targets of the plan;
- b) Elimination and sum of the controlled ODSs and GHGs under periods and sectors that they are used;
- c) Measures for management and phaseout of the controlled ODSs and GHGs; solutions for cooperation and share of information;
- d) Responsibilities of organizations, individuals and relevant units in implementing the plan.
- 3. The Ministry of Natural Resources and Environment shall take charge and cooperate with ministries, ministerial agencies, Governmental agencies in formulating and submitting the national Plan on management and phaseout of controlled ODSs and GHGs to the Prime Minister before December 31, 2023.

Article 28. Collection, reuse, recycling and disposal of the controlled substances.

- 1. Organization manufacturing, importing equipment/products which contain or are manufactured from controlled substances; own equipment which contain controlled substances prescribed in Points c and d Clause 1 Article 24 hereof shall collect, reuse, recycle and dispose of the controlled substances according to the following principles:
- a) Controlled substances must be collected as soon as they are no longer used in the equipment/products from January 01, 2024;
- b) It is recommended to recycle or reuse the controlled substances after collecting them;
- c) The controlled substances must be destroyed according to the law on management of harmful wastes in case they are not recycled or reused;
- d) Report annually the use of the controlled substances according to the regulations in Clause 6 Article 24 hereof.
- 2. Collection, transport and storage of controlled substances shall be carried out as follows:
- a) The controlled substances that are produced during the process of installing, fixing and maintaining of separate products and equipment shall be collected, transported and stored according to this Decree;
- c) In case the controlled substances may be recycled or reused after being collected, the recycling and reuse shall be carried out according to the regulations of the Ministry of Natural Resources and Environment;
- c) The transport, storage and destruction shall be carried out according to the law on management of harmful wastes in case recycling or reuse is not possible.
- 3. Collection, transport and storage of the controlled substances must meet the following requirements:
- a) There are necessary equipments for collection of the controlled substances including collecting machines, containers, vacuum pump, batching scale, leak test equipment, pressure gauge and safety tools;
- b) There are technicians satisfying the regulations in Clause 4 Article;
- c) There are procedures for safe collection, transport and storage according to the Ministry of Natural Resources and Requirement.
- 4. The technicians who install, operate, maintain, prepare the equipment containing the controlled substances must have suitable diplomas and certificates or certificates of completing training courses on collection and disposal of the controlled substances under

the programs developed by the Ministry of Labor, Invalids and Social Affairs in cooperation with the Ministry of Natural Resources and Environment in formulating.

- 5. Individuals who no longer use the products/equipment which contain or are manufactured from the controlled substances they own have the responsibility to transfer them to pre-determined locations according to the regulations without changing shapes of them, or transfer them to facilities specialized in collection, transport and disposal under the regulations.
- 6. The Ministry of Natural Resources and Environment shall formulate and promulgate the national technical regulations on collection, transfer, store, recycling, reuse and settlement of the controlled substances before October 31, 2023.

Article 29. Responsibility for management of the controlled substances

- 1. The Ministry of Natural Resources and Environment is the national focal agency which is in charge of implementation of the Vienna Convention and the Montreal Protocol, takes responsibility for state management on the controlled substances to the Government. The Ministry of Natural Resources and Environment shall take charge and cooperate with relevant ministries and central authorities in:
- a) Management of controlled substances according to the international treaty on ozone layer protection in which Vietnam is a signatory; allocation, adjustment and increase of manufacture/import quotas of HCFCs and HFCs under periods and years;
- b) Formulating and proposing the national Plan on management and phaseout of the controlled substances to the Prime Minister for promulgation; proposing promulgation of and revisions to lists and guidelines on use of controlled substances and regulating conditions of manufacture and use of the controlled substances according to the commitment of implementing the international treaty on ozone layer protection in which the Socialist Republic of Vietnam is a signatory;
- c) Publishing and amending lists of banned imports/exports; lists of conditional imports/exports attached with goods codes under their management on the basis of the consensus with the Ministry of Industry and Trade on the goods lists and the with the Ministry of Finance on the goods codes;
- d) Formulating and operating the online public service system on registration, reporting, allocation and management of manufacture/import quotas of controlled substances; connecting with the Vietnam National Single Window on management of the controlled substances;
- dd) Performing national duties for the Montreal Protocol; cooperating with the focal agency of other nations in carrying out measures of compliance with the Montreal Protocol of Vietnam;

- e) Inspecting, examining and supervising registration, reporting and use of quotas; managing collection, reuse, recycling and settlement of the controlled substances;
- g) Organizing implementation of assigned contents according to the Law on Environmental Protection, this Decree and other missions relevant to management of the controlled substances.
- 2. The Ministry of Industry and Trade shall have responsibility to cooperate with the Ministry of Natural Resources and Environment in allocating, adjusting and increasing manufacture/import quotas for controlled substances; give their opinions about the lists of forbidden imports/exports (according to the conditions) under their management.
- 3. The Ministry of Agriculture and Rural Development shall take charge and cooperate with The Ministry of Natural Resources and Environment, relevant ministries and ministerial agencies in:
- a) Management, issue of licenses for import/export of Methyl bromide for the purposes prescribed in Clause 4 Article 22 hereof;
- b) Connecting the Vietnam National Single Window with the online public service system on management of Methyl bromide of the Ministry of Agriculture and Rural Development;
- c) Providing, sharing information and figures about controlled substances under management and submitting them to the national focal agency for preparation of the national report on implementation of the Montreal Protocol in Vietnam before January 30 each year according to Form No. 07 of Appendix VI issued herewith and when the national focal agency requests.
- 4. The Ministry of Finance shall take charge and cooperate with the Ministry of Natural Resources and Environment, relevant ministries and central authorities in:
- a) Cooperating in management and control of import/export of controlled substances on the Vietnam National Single Window;
- b) Providing, sharing customs information and data about the import/export of substances and goods containing the controlled substances under management and submitting them to the national focal agency for preparation of the national report on implementation of the Montreal Protocol in Vietnam before January 30 each year according to Form No. 08 of Appendix VI issued herewith and when the national focal agency requests.
- 5. The Ministry of Labor, Invalids and Social Affairs shall cooperate with the Ministry of Natural Resources and Environment in:

- a) Formulating and implementing programs of training, retraining, issue of certificates, confirmations for entities working in the sectors relevant to the controlled substances before December 31, 2022;
- b) Integrating contents relevant to controlled substances in the regulations on the minimum amount of knowledge and capacity requirements that learners can achieve after graduating from the intermediate or college level for the professions in related sectors;
- c) Promulgating the national technical regulations on occupational safety for refrigeration and air conditioning systems before December 31, 2023.
- 6. The Ministry of Public Security, the Ministry of Industry and Trade, the Ministry of Defense, ministries and central authorities, the provincial People's Committees under their management shall cooperate with the Ministry of Natural Resources and Environment in preventing and discovering violations on management, control and minimization and phaseout of the controlled substances.
- 7. The Department of Ministry of Natural Resources and Environment shall cooperate with relevant ministries and central authorities in:
- a) Supervising the phaseout process and regulations on collection, recycling, reuse or destruction of the controlled substances of organizations in their provinces;
- b) Providing information and data relevant to organizations using controlled substances in the areas of their management at the request of the state competent authorities;
- c) Handling under competence or reporting violations on management and phaseout of the controlled substances to the competent authorities according to this Decree and the relevant law.

Chapter IV

MEASURES FOR PROMOTION OF GHG EMISSION MITIGATION AND OZONE LAYER PROTECTION

Article 30. Formulation and implementation of cooperation mechanisms and methods

1. The Ministry of Natural Resources and Environment, which is the focal agency implementing international Conventions and treaties on GHG emission mitigation and ozone layer protection, shall take charge of negotiation on formulating, implementing and providing information about implementation status of cooperative mechanisms and methods according to the national treaties on GHG emission mitigation and ozone layer protection in which the Socialist Republic of Vietnam is a signatory.

2. Ministries, ministerial agencies, socio-political organizations, the provincial People's Committees shall formulate and implement bilateral/multilateral cooperation programs/projects on GHG emission mitigation and ozone layer protection.

Article 31. Research and development

- 1. Research and development, and transfer of technology for the purpose of GHG emission mitigation and ozone layer protection shall be carried out according to the law on Science and technology.
- 2. The Ministry of Science and Technology, the Ministry of Natural Resources and Environment and relevant ministries and central authorities shall carry out research and development, and transfer of technology for GHG emission mitigation and ozone layer protection in order to achieve the national and industrial objectives in each period.

Article 32. Improvement of capacity and raise of awareness

- 1. Ministries, ministerial agencies, the provincial People's Committees shall disseminate information on mass media, promote international cooperation to improve capacity and awareness of the community and mobilize citizens to take part in the GHG emission mitigation and ozone layer protection.
- 2. Measures to improve capacity and raise awareness include:
- a) Improve capacity of officials for GHG emission mitigation and ozone layer protection;
- b) Training and developing specialized officials in charge of GHG inventory; measuring, reporting and verifying GHG emission mitigation of facilities, sectors and localities; setting, operating, maintaining and fixing equipments containing the controlled substances by technicians;
- c) Universalizing contents of GHG emission mitigation and ozone layer protection by education system at all levels and mass media;
- d) Include GHG emission mitigation and ozone layer protection activities in activities of scientific and technical associations, socio-political-professional organizations, socio-professional organizations and other organizations;
- dd) Organizing showrooms for products and technologies and organizing invention contests on GHG emission mitigation and ozone layer protection.

Article 33. Promotion of GHG emission mitigation and ozone layer protection

1. GHG emission mitigation and GHG destruction may apply the cooperation, exchange and balancing carbon credit mechanisms according to Article 20 hereof.

- 2. Organizations and individuals studying application, transfer and development of technology for GHG emission mitigation and ozone layer protection and use of climate-friendly alternatives shall be eligible for incentives according to the law on science and technology.
- 3. Organizations and individuals changing technology to GHG emission mitigation and ozone layer protection and providing the controlled substance collection and settlement services shall be favored according to Article 141 of the Law on Environmental Protection and relevant documents.

Chapter V

IMPLEMENTATION CLAUSES

Article 34. Entry into force

- 1. This Decree comes into force from January 07, 2022.
- 2. Organizations that are allocated quotas to import HCFCs before the effective date of this Decree; organizations that have registered for import quotas for HCFCs in 2022 are not required to carry out registration procedures prescribed in Clause 1 Article 24 of this Decree.

Article 35. Responsibility for implementation

- 1. The Minister of the Ministry of Natural Resources and Environment are responsible for guidance, examination and implementation of this Decree.
- 2. Ministers, Heads of ministerial agencies, Heads of Governmental agencies, Presidents of the People's Committees of provinces and central-affiliated cities are responsible for implementation of this Decree.

ON BEHALF OF. GOVERNMENT PP. PRIME MISNISTER DEPUTY PRIME MINISTER

Le Van Thanh

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