

CBAM Implementing Regulation for the transitional phase

European Commission – August 17



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1. POLICY & LEGAL

[Scheme to implement JETP in Vietnam approved](#)

Vietnam Initiative for Energy Transition – August 31

The main tasks are as follows:

- Improve institutions and policies to promote the energy transition
- Accelerate the transition of coal power to clean energy
- Develop an industrial and service ecosystem for renewable energy
- Use energy economically and effectively
- Upgrade the power transmission and distribution systems, and accelerate the roadmap to build a smart power system as well as develop an energy storage system
- Convert to green energy, reduce GHG emissions in the transport sector
- Prioritize the innovation, development, and technology transfer
- Ensuring a just energy transition
- Communicate and raise awareness on the just energy transition
- Promote cooperation and resource mobilization for a just energy transition.

[The draft method for developing the wind and solar power price framework \(for the new investment projects\) in Vietnam](#)

Vietnam Energy – August 30

Within 15 working days (from the date of organizing the appraisal of the generation electricity price framework), ERAV will be responsible for submitting to MOIT for approval the generation electricity price framework for the solar and wind power plants for the next year and publishing on the website of ERAV.



[Circular No. 23/VBHN-BCT regulates new provisions on the development of solar power projects and standard power purchase contracts](#)

Newspaper of Industry & Trade – August 29

This circular replaces Circular No. 16/2017/TT-BCT dated September 12, 2017, Circular No. 05/2019/TT-BCT dated March 11, 2019 of the Ministry of Industry and Trade on the development of projects and standard power purchase contracts applicable to solar power projects. The circular applies to grid-connected solar power projects and rooftop solar power systems.

[CBAM Implementing Regulation for the transitional phase](#)

European Commission – August 17

The CBAM will enter into force in its transitional phase as of 1 October 2023. It will initially apply to imports of certain goods and selected precursors whose production is carbon intensive and at most significant risk of carbon leakage: cement, iron and steel, aluminium, fertilisers, electricity and hydrogen.

During this period, importers of goods in the scope of the new rules will only have to report greenhouse gas emissions (GHG) embedded in their imports (direct and indirect emissions), without making any financial payments or adjustments.

[Different renewable power prices across regions expected](#)

Saigon Times – August 31

The pricing for new solar energy projects may differ based on the solar radiation intensity specific to each region across the country. This detail is outlined in a draft circular aimed at establishing a power generation cost framework for new wind and solar energy projects.

[Science ministry issues ISO standards to realise VN's net zero commitments](#)

Net Zero – August 23

The Directorate for Standards, Metrology and Quality under the Ministry of Science and Technology has issued International Standardisation Organisation (ISO) standards named TCVN ISO 14090:2020 that contain principles, requirements and guidelines to instruct organisations and sectors to adapt to climate change.

[EU importers face low fine for failing to report emissions in trial phase](#)

Financial Times – August 17

World's first carbon border tax will feature penalties of up to €50 a tonne before it enters fully into force.



2. RENEWABLE ENERGY & ENERGY EFFICIENCY

Vietnam's LNG power projects face contractual hurdles and rising import costs

Vietnam Investment Review – August 29

Vietnam's ambitious journey into liquefied natural gas (LNG) power projects is facing stumbling blocks, as protracted contract negotiations threaten the progress of key initiatives.



Weight still placed on imported LNG

Vietnam Investment Review – August 17

Many analysts also doubt the possibility of developing nearly 22,400MW of LNG power projects by 2023, as outlined in the Power Development Plan VIII (PDP8). As of present, there are only two LNG power projects with a combined capacity of 2,800MW inaugurated yet to sign power purchase agreements with Vietnam Electricity.

The Ministry of Planning and Investment appraised the project of separating A0 from EVN

Vietnam Energy – August 25

Specific guidance crucial for success of nation's power plan

Vietnam Investment Review – August 30

Both foreign and domestic investors are hoping for clarity in distinguishing the criteria for onshore, nearshore, and offshore projects; ensuring pilot project investors and of certainty around revenue, investment, and returns; as well as clarifying details on the objectives, investment phases, capital, and resource mobilisation.

Energy sector plans to cut greenhouse gas emissions by 17-26 per cent by 2030

Vietnam Investment Review – August 17

Vietnam's energy sector plans to reduce greenhouse gas emissions by 17-26 per cent by 2030 and around 90 per cent by 2050 compared to the normal development scenario.

MOIT meeting on ensuring power supply

MOIT Website – August 23

In particular, EVN is tasked to:

- Handle the incidents at the thermal and hydropower plants to ensure operations at the maximum capacity.
- Accelerate construction and completion of power generation and transmission grid projects.
- Urgently complete price negotiation and PPA signing with transitional solar and wind power projects.

- Encourage major power customers to adjust electricity usage during peak hours to promote efficient consumption.
- Strive for corporate and financial restructuring to ensure timely payment to suppliers.

Just energy transition plan approaches next stage

Vietnam Investment Review – August 30

Vietnam has been required to develop and publish the RMP by November to identify new investment requirements and opportunities for the development and implementation of wind, solar, transmission, energy efficiency, storage, electric vehicles, training, retraining and vocational support for employment among others.





3. CIRCULAR ECONOMY

The Ministry of Natural Resources and Environment responds to the recommendations of 14 associations on the recycling cost rate for products and packaging (Fs)

Newspaper of Natural Resources and Environment – August 25

International EPR experts who advised us said that we should not compare the recycling fee with other countries because the fee varies a lot and instead of that we should ensure that Vietnam's Fs is close and suitable to the actual recycling situation of Vietnam. In principle, Fs must be higher than the recycling cost in case the enterprise organizes it by itself; it does not encourage enterprises to pay money to fulfill their recycling responsibility, paying money should be the last choice.

EPR promotes recycling of cars and motorcycles

Newspaper of Natural Resources and Environment – August 24

A car or motorcycle that is outdated or unusable can be dismantled to reuse, recycle, and dispose of its parts to implement resource circulation, open up a large-scale and modern industry of car and motorcycle recycling in our country and is expected to be a billion-dollar industry. Implementing the EPR (extended producer responsibility) policy is a tool to promote the development of this industry.

E-commerce urged to go green to ease environmental impact

Net Zero – August 18

The development of e-commerce will create useful tools to contribute to environmental protection, through the online trading of products and services associated with waste collection and recycling, he said, stressing the necessity to further promote the implementation of the circular economy in production and business activities and optimise logistics activities.

How data standards can transform supply chains into supply circles

The European Sting – August 30

The industrial manufacturing sector can find significant sustainability benefits by adopting circular models throughout its operational activities. This transition presents a \$4.5 trillion circular-economy opportunity by 2030. Enriched and standardised data can help manufacturers make better use and reuse of stock, addressing waste and inefficiencies and changing how sustainable products are valued in the supply chain.





4. WATER

Gov't to seek parliamentary support in implementation of national water target programmes

Vietnam News - August 29

The Government's support for housing (VNĐ40 million per household) and the construction of clean water facilities (VNĐ3 billion per project) from the central government is insufficient, especially for mountainous areas and localities with limited resources.

Some targets, such as clean water supply and cremation rates, exceed the implementation capacity of the localities.



Europe's water crisis: how supplies turned to 'gold dust'

Financial Times - August 27

Drought, leaky pipes and poor policy among several factors contributing to continent's scarcity problem. Droughts have "dramatically increased" in number and intensity in the EU, with the areas and people affected rising almost 20 per cent between 1976 and 2006, according to the World Meteorological Organization. The World Resources Institute forecast in 2020 that global fresh water demand would outstrip available supply by 56 per cent by 2030 — a greater gap than the 40 per cent forecast by consultancy McKinsey in 2009.

Consider expanding the scope of regulation for mineral water and natural hot water

Vietnam Plus - August 28

Regarding the proposal to adjust mineral water and natural hot water into the scope of regulation of the draft Law, there are two different types of opinions.

The first type of opinion argues that mineral water and natural hot water have special physical and chemical properties, have higher economic value than ordinary water, so they need strict and tight management as a type of resource, mineral with high economic value. This type of water is being managed stably according to the law on minerals. Therefore, do not add these two types of water to the scope of regulation of the Law to avoid confusion. This is also the option that the Government submitted to the National Assembly. The draft Law is currently expressed according to this type of opinion.

The second type of opinion argues that mineral water and natural hot water are groundwater resources but contain minerals, have higher temperature than ordinary water. However, this type of water still has all the characteristics of water, so it needs to be managed uniformly in the Law on Water Resources.

World Bank Warns 1.6 Billion People Could Lack Safe Drinking Water by 2030

Morocco World News - August 28

The World Bank report, published on August 18, makes the case that not only will 1.6 billion individuals lack access to safe drinking water, but an additional 2.8 billion people are projected to be deprived of basic sanitation facilities. The Bank emphasized the interconnectedness between water, climate, and conflict, underscoring the urgency of addressing these issues holistically. The officials have pinpointed four essential strategies to drive improvements in water management: investment, innovation, information, and institutions





5. SUSTAINABLE CITIES AND BUILDINGS

[New Asia-based carbon standards body looks to decarbonise megacities](#)

Eco-Business – August 30

The world's largest metropolises are in Asia, so urban climate solutions should reign supreme in the region. The finances, however, do not yet add up, so some are starting to look at using carbon credits to solve the problem. Carbon project certifiers scrutinise sustainability initiatives, such as tree-planting schemes or the building of renewable power infrastructure, before allowing developers to issue carbon credits that represent emission savings.

[Smart Ways to Make Cities Better](#)

Bloomberg – August 30

A principle of urban life is that cities don't stay fixed. Managing these complex municipal machines is a never-ending battle against entropy, the elements, human error and the unpredictable exigencies of life on Earth in 2023. But public officials, community leaders and experts in various fields can be remarkably creative at patching up, adapting and (occasionally) planning ahead. An innovation may take the form of a novel technology, a new policy approach or an architectural trend. It might be crafted for a local problem and might not hold forever. But cities everywhere are taking on pressing issues, and there's much to learn from them.

[Cities lead the pack to tackle energy poverty](#)

Eurocities – August 28

Long-term solutions to mitigate the consequences of energy poverty include boosting energy-efficient buildings, ensuring residents' participation in renovation projects and switching to more sustainable energy systems. Public administrations aligned with the principles of a fair green transition can contribute to the renovation of buildings to minimise the impact on the most vulnerable groups while reaching climate targets.

[G7 Urban Development Ministers agree to work together in decarbonization and digitization](#)

Construction Newspaper - August 29

The joint statement emphasized the importance of securing green spaces in cities to achieve net-zero emissions and suggested the need to improve the market environment so that private sector investment can be directed toward securing green spaces.

On digitization, the joint statement clearly stated the importance of standardizing and opening up land, building and other data held by governments and local authorities.





6. SUSTAINABLE FINANCE

PwC: Publicly-listed companies exhibiting caution in starting their ESG journey

VN Economy – August 30

According to the ESG Readiness report conducted in 2022, the overall ESG commitment rate of PLCs in Vietnam stands at 93 per cent, surpassing the country's average of 80 per cent. However, only 35 per cent of PLCs have established an ESG plan, which is considerably lower than the average of 44 per cent. More than half (58 per cent) of them are currently in the planning phase and will continue to be so for the next 2-4 years.

Research and propose a carbon tax scheme in Vietnam

Newspaper of Natural Resources and Environment – August 30

Instead of paying for the Carbon Border Adjustment Mechanism (CBAM), establishing a carbon tax in Vietnam will help retain a part of the revenue that has to be paid in the long term, reduce the impact of CBAM on Vietnam's export products and enhance Vietnam's competitiveness in the future.



MOF proposes imposing emission charge on discharging facilities

Vietnam Law & Legal Forum – August 24

All emission-discharging facilities would have to pay emission charge at the rate of VND 3 million (USD 125) per year, according to a draft decree on environmental protection charge for exhaust

emissions designed by the Ministry of Finance (MOF).

Making sense of the voluntary carbon market

Eco-Business – August 23

The VCM has an uncertain future. Carbon credits and companies using them have had some bad press for seeming not to meet the standards they claim, and the past year has seen a gradual decline in credit prices. The challenges associated with ensuring a positive impact on climate and development – commonly referred to as “integrity” – can be grouped into three buckets: the quality of credit supply, credible demand from buyers, and how the market functions.

Sustainability-linked bonds and how to use them credibly

Eco-Business – August 29

Increasing investor scrutiny, alongside macroeconomic uncertainty, has led to a slowdown in the issuance of sustainability-linked bonds globally. How can this emerging financing instrument be structured to ensure greater transparency?

The Green Climate Fund needs urgent replenishment

Financial Times – August 21

The Green Climate Fund, a centrepiece of the climate finance landscape, is undergoing replenishment this year. Developing countries will only be able to deliver on their Paris Agreement goals if they are given adequate funds to do so.

What does “transition finance” mean?

Financial Times – August 30

Explainer: Pricing in nature-related risks – a turning point for biodiversity loss?

Eco-Business – August 21

Market participants have welcomed the draft Taskforce for Nature-related Financial Disclosures (TNFD) framework, set to become the baseline standard for nature-related risk reporting.



7. OTHERS



[Greenhouse gas inventory in forest and forestry land once every 2 years](#)

Newspaper of Natural Resources and Environment – August 29

[Vietnam issues plan to implement Glasgow declaration on forests](#)

Vietnam Law & Legal Forum – August 26

[Developing countries face challenges in achieving net zero goals: expert](#)

Net Zero – August 20

Addressing the situation in developing countries, Dr. Pincus highlighted the financial challenge of transitioning to a low-carbon economy. For instance, Vietnam requires around US\$60 billion annually to support its renewable energy programs. To meet this financial demand, the nation must seek foreign aid, which could introduce difficulties related to currency rates and rising public debt.

Furthermore, ongoing geopolitical uncertainties hinder the smooth transfer of technology, a crucial element in advancing global sustainable development at an affordable cost. This dilemma places developing nations in a predicament of making substantial investments in sustainable projects, according to Dr. Pincus.

[Many businesses not prioritising transition to green development](#)

Vietnam News – August 31

[Asia will not get to net-zero without changing its diet](#)

Nikkei Asia – August 16

[Why steel can be an unexpected leader in decarbonization?](#)

WeForum – August 29



8. EVENTS

[Opportunities, challenges on pathway to Net Zero: experts](#)

At the forum themed “Net Zero – Pathway Toward Sustainability” on August 18, experts said approaching Net Zero is both a responsibility and an opportunity for the business community; in which the “early birds” will enjoy the advantage of being pioneers.

[Training on green, social and sustainability bonds launched in Vietnam](#)

On August 25, The Ministry of Finance and the Global Green Growth Institute (GGGI) held a training program, providing technical insights and guidance on green, social and sustainability bond issuance in Vietnam.

[Immediate actions required to prevent forest loss in coffee production: official](#)

On August 24, at a seminar held in Da Lat city, nearly 200 experts and coffee farmers look into the compliance with the EU Deforestation Regulation.



Upcoming Events

[Green Construction Conference | Nordic Chamber of Commerce](#)

September 07, 2023 – The Sentry, Ho Chi Minh City, Vietnam

[Seminar “Sustainability and Energy Transition” | Italian Chamber of Commerce](#)

September 07, 2023 – The Reverie Saigon, Ho Chi Minh City, Vietnam

[Vietnam Circular Economy Forum 2023](#)

Theme: Develop the National Action Plan on Circular Economy in Viet Nam

December 05, 2023 – Melia Hotel, Hanoi, Vietnam and Online

[\[Breakfast Seminar\] Renewable Energy – Growth Opportunities and Insurance Challenges in Viet Nam | European Chamber of Commerce](#)

October 25 – Sofitel Plaza Saigon, Ho Chi Minh City, Vietnam

[Energy Transition Seminar: “Norway – Vietnam Business Partnership” | Royal Norwegian Embassy](#)

September 13, 2023 – Caravelle Sai Gon Hotel, Ho Chi Minh City, Vietnam

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