



[REPORT TASK I.4.1-4] SETTING UP SECTOR-LEVEL MRV SYSTEM OF INTERNATIONAL STANDARD FOR THE CEMENT SECTOR IN VIETNAM (A GENERAL GUIDLING DOCUMENT FOR NAMA IMPLEMENTATION)

EXECUTIVE SUMMARY

Nationally Appropriate Mitigation Actions (NAMAs) are designed with the purpose to advance developing country sustainable development and GHG reduction efforts. In this context, the measurement/monitoring, reporting, and verification (MRV) of NAMAs is crucial to track the implementation and success of actions in achieving these outcomes.

The main goal of this study is to set up a suitable MRV system for the cement sector in Vietnam under the readiness phase of the NAMA cement that is based on the national and sectoral contexts but meet the international standards.

To meet this goal, the report covers the main activities as follows:

- **Reviewing** the current MRV systems and procedures in cement companies in Vietnam. The specific activity is to identify existing MRV systems and procedures in the cement sector in Vietnam;
- **Reviewing and underlying** the current practice of international MRV systems and requirements for improving existing MRV practices. The specific activity is to assess the current MRV systems and procedures in cement companies in Vietnam against international requirements and to provide recommendations for improving the MRV practices including Quality Assurance/Quality Control (QA/QC).
- **Designing an** MRV system under the readiness stage: establish the MRV system of international standard for regular measurement, reporting, and verification of relevant indicators for the NAMA in the cement sector and will be conducted at the country level.
- **Proposing** appropriate institutional arrangements for MRV system in the cement sector in Vietnam. The specific activity is to clarify roles and

responsibilities for MRV and propose the appropriate institutional arrangements for MRV.

- **Designing** respective training materials for capacity building of cement companies to apply the designed MRV system. The capacity building materials are presented separately from this report.

Based on the lessons learnt from international experience and standards in setting up MRVs and the current practice of international MRV systems for energy and GHG emission in the cement sectors, a designed MRV under the readiness phase of the NAMA cement has been proposed. The MRV system includes two major pillars: 1) MRV of GHG emissions 2) MRV of non-GHG emissions including co-benefits and supports at two levels - a plant level and sector level.

At a plant level, the Consultant has identified 29 indicators for the desired GHG emission MRV and performed comparison and gap analysis to determine the improvements needed from the current practice at cement plants in Vietnam.

At the sectoral level, the basic technical infrastructure - the database that is considered comparable to the international (CSI) standard has been set up under Task 1.2.5-6 of this project. In this report, the Consultant has identified the challenges to make the database updated at regular basis and gradually improve the quality of reported data and propose measures to overcome such challenges.

This report also provides a general guide for setting up the MRV system of non-GHG impacts of the NAMA cement in which 7 indicators at plant

level and 10 indicators at sector level have been identified for demonstrative purposes. This list of non-GHG emissions MRV indicators is non-comprehensive and should be improved over time with the consensus and contributions from relevant stakeholders, especially by the demand from the donors so that this flexibility will also allow for a learning-by-doing approach.

Given the fact that there is non-comprehensive and consistent MRV system that has ever been established and operated for the cement sector in Vietnam, the study provides suitable MRV institutional arrangements in order to ensure the sustainable operation and development of the desired MRV system for NAMA cement in Vietnam.

In order to realize the desired MRV system for the NAMA cement in Vietnam, it is necessary for the NAMA Steering Board to be established under the MOC to create the coordination platform needed for the implementation of the cement sector NAMA and to give directions and guidance for cement plants to measure and report their data to the NAMA Operating Unit of the cement sector NAMA who plays a central role of the administrative and executive body of MRV related issues.

The MRV expert in the Joint-ministerial NAMA Working Group shall play a key role in creating a legal framework in order to ensure the inter-ministerial effective and efficient decision making and cooperation concerning MRV for NAMA cement and to build a nationally unified database on energy and GHG emissions.

Third party auditors are essential, especially for supported NAMA, in accordance with international standards.

The report was developed under the framework of the Nordic Partnership Initiative Pilot Programme for Supporting Up-scaled Climate Change Mitigation Action in Vietnam's Cement Sector.

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For more information on the project and the full report, please contact:

Mrs. Luu Linh Huong
Department of Science, Technology and Environment
Ministry of Construction of Vietnam
ndfc34@moc.gov.vn