



[REPORT TASK P-II.1.1, II.1.2, II.2.3, III.1.1] STAKEHOLDER ENGAGEMENT, CAPACITY BUILDING AND RECOMMENDATIONS

EXECUTIVE SUMMARY

The present document summarizes the outcomes of the stakeholder consultations, workshops and trainings carried out during the Consultation and Readiness Phases of the Nordic Partnership Initiative Pilot Programme for supporting Nationally Appropriate Mitigation Actions (NAMA) in Vietnam's cement sector (the project). Besides providing a summary of the consultations and trainings with cement companies and the central government agencies in Vietnam, this report also proposes recommendations on NAMA enabling activities, capacity building and technical assistance needs for: a) cement plants and b) policy makers.

The outcomes of the stakeholder consultations and the recommendations included in this report will allow the Consultant team to update the NAMA Financial Plan (Task II.2.4) and will provide valuable inputs for the Final NAMA Readiness Plan (Task III.3.1).

The key elements that should be taken forward for further consideration are the following:

1. Available data, databases and tools established and set-up through this project will have to be maintained and updated constantly to maintain their utility.
2. The so-called NAMA enabling activities will be critical for the successful implementation of the NAMA. In particular, the development of policy incentives, such as incorporating GHG mitigation targets and measures into the next revision of the Master Plan for Development of the Vietnam's Cement Industry (Cement Development Master Plan), required capacity building and technical assistance, and the provision of financing options are seen as the most urgent.
3. Specific capacity building and technical assistance activities (with a particular focus on measurement/monitoring, reporting and verification (MRV) system and NAMA Management/Operation know-how) should be an inherent part of the NAMA Operation Unit at the Ministry of Construction (MOC) within its main tasks and responsibilities.
4. The NAMA design is generally considered solid, realistic and well-adapted to the country context. However, a strong buy-in,

enhanced coordination and very close scrutiny will be crucial to ensure that the designed set of actions, policies, activities and schemes are effective and are achieving the intended results. Testing the NAMA operation fully in one or two pilot plants before expanding the program to the whole sector is recommended to double check the main design features.

5. A simple but effective financial mechanism for the less cost-efficient measures could be an ESCO-like model¹ for the plants' energy efficiency (EE) activities, or establishing an EE guarantee facility. However, both of these solutions will take time and require political processing and approval, so they should be pursued in parallel, while kick-starting implementation with policy incentives and NAMA enabling activities.

In relation to the proposed enabling activities, capacity building and technical assistance, they are described in detail in Chapter 3 of the report. The list presented here is in full alignment with the Stakeholder Engagement Plan presented in Report I.8.1 (that focuses on the timeline and needs of relevant stakeholders) and with the draft NAMA Financial Plan in Report II.2.4 (that focuses on budget and financial sources). The timeline, sequencing and the stakeholder needs included in the Stakeholder Engagement Plan are commented in detail in Chapter 4.

Finally, the report includes a few general conclusions. A first one is that this round of consultations has been very important for the project to validate the findings and the proposed NAMA design options presented by the Consultant.

Secondly, the consultations have triggered closer communication between central policy agencies

and the private sector players and started framing the discussion on a number of very important topics for both groups of stakeholders. The workshops also provided an initial training opportunity to both companies and agencies to better understand what is a NAMA, their role in it, and why the proposed NAMA for the cement sector is an opportunity for them.

It also allowed the Consultant to validate the data acquired, to present some of the NAMA Operating Unit tools, and to hear very valuable feedback and suggestions on the various aspects of this NAMA.

¹ Energy service company (ESCO) is a firm that provides integrated solutions for achieving energy cost reductions, and whose payments are linked to the performance of the implemented solutions.

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.

The Nordic Partnership Initiative (NPI) established in December 2011 to support climate change mitigation efforts in developing countries and funded by Denmark, Finland, Iceland, Norway and Sweden. The budget of the NPI Programme in Vietnam is €1.6 million, and it is financed by Nordic Development Fund (NDF) and the Ministry of Construction of Vietnam. The implementation of the Vietnam cement sector Pilot Programme started in March 2014, by a consortium led by NIRAS A/S (Denmark) in collaboration with Perspectives GmbH, South Pole Group, VNEEC JSC and NIRAS Vietnam.

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