

LEGAL UPDATE

NEW DECISION ON GREENHOUSE GAS INVENTORY REQUIREMENTS IN VIETNAM

On 13 August 2024, the Prime Minister of Vietnam issued Decision No. 13/2024/QD-TTg (**Decision 13**), which updates the lists of sectors and greenhouse gas (**GHG**) emitting facilities required to develop a GHG inventory. This Decision replaces Decision No. 01/2022/QD-TTg (**Decision 01**) and will take effect from 01 October 2024. The update aims to enhance Vietnam's GHG emission monitoring and reporting framework, ensuring compliance with the country's environmental commitments.

1. Updated List of GHG Emitting Sectors and Facilities

Decision 13 categorizes GHG-emitting sectors and facilities into five key areas, which are outlined in the Decision's appendices:

- Appendix I: Sectors required to develop a GHG inventory.
- Appendix II: List of GHG emitting facilities required to develop a GHG inventory in industry and trade sector.
- Appendix III: List of GHG emitting facilities required to develop a GHG inventory in transport sector.
- Appendix IV: List of GHG emitting facilities required to develop a GHG inventory in construction sector.
- Appendix V: List of GHG emitting facilities required to develop a GHG inventory in natural resources and environment sector.

The updated classification ensures that businesses in highemission industries comply with emission tracking and reporting obligations, reinforcing Vietnam's commitment to environmental protection.

2. Implementation Requirements

Under the new regulation, facilities included in the updated lists must conduct internal GHG inventories according to guidelines issued by relevant ministries, including the Ministry of Industry and Trade, the Ministry of Transport, the Ministry of Construction, and the Ministry of Natural Resources and Environment.

Additionally, People's Committees at the provincial and municipal levels are responsible for:

- Urging GHG-emitting facilities within their jurisdictions to develop GHG inventories.
- Updating and adjusting facility lists as necessary.
- Submitting the updated lists to the relevant ministries for review.

The Ministry of Natural Resources and Environment will coordinate with other ministries and local governments to periodically review and refine the GHG inventory lists before submitting them to the Prime Minister for approval.

3. Superseding Previous Regulations

With the issuance of Decision 13, the previous Decision 01 (dated 18 January 2022) will officially cease to be effective from 01 October 2024.

Facilities that were included in the old decision but are not listed in the updated Decision will no longer be required to develop GHG inventories or submit reports for 2025, unless future regulatory changes reinstate their obligations, including:

- Industrial processes during the manufacture of building materials
- Use of substitutes for ozone-depleting substances (ODS)
- Production and use of other industrial products
- Incineration and open burning of waste
- Other sources of agricultural emissions

4. Implications for Businesses and Compliance

Businesses in the *industry, transport, construction, and environmental sectors* should carefully review the updated lists to determine whether they are required to develop GHG inventories and comply with reporting obligations. Meanwhile, local authorities and regulatory bodies are expected to provide additional implementation guidance to facilitate the transition to the new framework.

For organizations that are no longer subject to the GHG inventory requirement, compliance obligations may be reduced. However, they should remain vigilant for



potential future policy updates that may reinstate or modify their responsibilities.

5. Conclusion

Decision 13 introduces significant regulatory updates that directly impact businesses in the industry, transport, construction and environmental sectors. It is crucial for companies to assess their obligations, review the updated lists, and take proactive steps to ensure compliance. Business that remains subject to GHG inventory requirements should begin preparing internal reporting processes in alignment with ministerial guidelines, while those no longer listed should stay informed about potential future regulatory adjustments. Early preparation will not only ensure compliance but also help businesses align with Vietnam's evolving environmental policies, positioning them for sustainable growth in a low-carbon economy.

Contact Information

Should you have any questions, please feel free to contact our lawyers at the below email addresses and contact numbers.

Minh Nguyen / Special Counsel and Head of Dispute Resolution Practice minh.nguyen@acsvlegal.com

Ly Nguyen / Associate ly.nguyen@acsvlegal.com

Quynh Dang / Junior Associate quynh.dang@acsvlegal.com