Workshop

Priority Setting for Nationally Determined Contributions (NDC) Implementation Plan in Rice Production

Date: March 26, 2021

Location: Pullman Hotel, Hà Nội

Participants:

Ministry of Agriculture and Rural Development: representatives of the Department of Crop Production; Department of Cooperatives and Rural Development; International Cooperation Department; Department of Science, Technology and Environment; Institute for Policy and Strategy for Agriculture and Rural Development; Institute of Agricultural Environment; and Agricultural Projects Management Board. Representative of Nam Dinh Province Department of Agriculture and Rural Development.
Other Ministries: Ministry of Natural Resources and Environment (Department of Climate Change; Vietnam Institute of Meteorology, Hydrology and Environment), Ministry of Planning and Investment
Embassies and International organizations: Embassy of New Zealand and Netherlands Embassy, European Commission, UNDP, FAO, GIZ, SVN, Oxfam, CIAT, Rikolto
Private sector: Thai Binh Seed Group, Loc Troi Group

A. PRESENTATIONS:

1. Opening remarks:

Mr. Nguyen Nhu Cuong, Director of Department of Crop Production (DCP) welcomed the participants to the workshop. He emphasized Vietnam's commitment to reducing greenhouse gas (GHG) emissions, especially in the agricultural sector. The agriculture sector produces 27.9% of the total GHG emissions in Vietnam, and the crop sector alone accounts for 49% of the total agricultural emissions. MARD and DCP have been actively coordinating with international organizations to develop projects to reduce GHG emissions in rice production.

Dr. Björn Ole Sander, IRRI's Representative in Vietnam, highlighted the challenge in developing the rice industry while reducing GHG emission reduction. IRRI, with the support of CCAC, CCAFS, and CTCN, has been actively supporting Vietnam in this process. One important question is how to monitor, report, and verify GHG emissions reductions in rice production. IRRI has developed a toolkit to support this activity and developed scenarios to support NDC implementation in rice. IRRI would like to discuss these scenarios in the workshop and identify priorities for Vietnam's rice sector NDC implementation.

Photo 1: Mr. Nguyen Nhu Cuong (DCP) giving the opening remarks

2. Updated Nationally Determined Contribution (NDC) in Agriculture and Rural Development

Photo 2: Ms. Hoang Anh (DOSTE) presenting the updated NDC

Ms. Le Hoang Anh (Department of Science, Technology and Environment – MARD) presented the historical GHG emissions in different sectors, showing that agriculture was second only to the energy sector and was expected to continue to grow through 2030. The estimates of GHG emissions in agriculture in 2020 and 2030 were also mentioned followed by the mitigation targets in the updated NDC. Overall, Vietnam increased the ambition GHG mitigation by 9% of BAU with domestic resources and 27% of BAU with international support.

The implementation of mitigation and adaptation measures would be implemented starting 2021. In mitigation, 7 actions were determined in the rice sector, including 4 with domestic resources – costing 1,392 million USD and 3 with international support which requires the investment of 2,879 million USD. Co-benefits of the actions would be measured through 5 criteria: MRV and transparency,

technical feasibility, co-benefits, scalability, and estimation of costs and benefits (CBA/MACC).

3. Report on Vietnam's rice production and contribution of the rice sector to the NDC

Mr. Nguyen Van Vuong (Department of Crop Production – MARD) presented the rice planted areas which was 7.278 million ha (a decrease of 215,000 ha since 2001) and mentioned the government's policy to develop the rice sector including the plan for restructuring the rice sector towards high quality and sustainability.

Challenges facing the rice sector were identified, including low competitiveness, low production and trading efficiency, export price not meeting international standards, risks from climate change and high emissions, limitation in scaling technologies, etc.

The presentation proposed actions to develop the rice sector, including (i) Reducing rice land area/planted area/production from 2025-2030; (ii) Increasing the production and export of fragrant rice and branded rice; and (iii) Promoting innovative production (i.e., small farmer – large field) and linkage between production and consumption; (iv) Policy innovations which focus on mechanization, credit programs, insurance products for rice, and infrastructure investment.

4. CCAC's work on agricultural climate action

Ms. Catalina Etcheverry and Ms. Dada Bacudo presented the current work of CCAC to reducing Short-Lived Climate Pollutants (SLCPs) from agriculture in Vietnam, including the (i) Project to support the development of MRV framework for paddy rice sector; (ii) the support to conduct Cost-benefit analysis of different SLCP mitigation packages (in collaboration with IPSARD); (iii) the Paper on Enhancing actions to implement NDC goals. CCAC considered Vietnam as a leader in the region committed to reducing emissions and would dedicate their support for integrated planning for national and transformative actions.

CCAC's 2030 Strategy focused on the agenda to get SLCP mitigation on global and regional agendas and platforms, supporting national & transformative actions, and advancing policy-relevant research & analysis.

The CCAC announced its on-going collaboration in Vietnam to support strengthened coordination at the national level with the objective to sustainably increase the level of action to reduce SLCPs from the sector by further promoting coordination and scaling-up of activities at the national level. This work includes increasing general awareness of SLCP actions; increasing national awareness of the specific impacts and mitigation potential of SLCP measures; mobilizing inter-ministerial collaboration and accessing new and sustained financing to implement agriculture SLCP reduction programs at scale. The 3-year workplan (2020-2022) for this work followed, determining the specific actions to support national efforts in reducing SLCPs.

5. CTCN's country-driven support to Vietnam

Ms. Clara Landeiro, Regional Manager for Asia and the Pacific spoke on behalf of CTCN and acknowledge the considerable effort of Vietnam to reduce GHG emissions in rice by improving the efficient use of farming inputs and applying improved farming techniques and processes. She highlighted CTCN's recent technical assistance to develop user friendly tools for cost-benefit analysis for different mitigation actions to help define investment portfolios. She expressed her acknowledgment to the national partners – MARD, IPSARD, and other stakeholders in the delivery of the tools; and her expectation that the tools would meaningfully support the government and farming communities to prioritize suitable low-carbon technologies for Vietnam's rice production.

6. Scenarios for Vietnam's Ag-NDC implementation in rice production

Representing IRRI, Dr. Björn Ole Sander presented the GHG emission from rice cultivation and the assumed contribution of the rice sector to achieving the updated NDC targets (about 50% of the agricultural reduction targets). Followingly, he described different scenarios to achieve the unconditional and conditional mitigation targets.

Highlights of the scenario analysis included:

- The unconditional agriculture mitigation commitment could easily be met by the targets for rice sector actions, while the conditional commitment could can only be met by 39% with rice sector actions. The maximum amount that would be reached by rice sector actions: 10.08MtCO2e (below 50% of agricultural targets).

- Challenges to formulating mitigation plans in rice: (i) the lack of accurate information on irrigation infrastructure conditions and investment needs in targeted rice areas; (ii) the lack of baseline data on current adoption of water saving and straw management practices in rice; and (iii) the need of a sound MRV system with protocols and standards for transparent data on emission reduction.

Photo 3: Dr. Björn Ole Sander presenting the scenarios to implement NDC in the rice sector

B. DISCUSSION

During the discussion session, representatives of embassies, international organisations, and private companies shared about their past and on-going work to support the reduction of agriculture emissions in Vietnam. Particularly:

Photo 4: Ms. Cecile Leroy - EC

- The EU delegation to Vietnam had been supporting NDC implementation with major focus on energy sector, looking at exploring waste to energy and a cooperation with the agricultural sector (i.e., the EU Green Deal launched – important "Farm to Fork" initiative, and the pilot project on nature-based solutions and rice landscapes).

- The Netherland Embassy had several activities in agriculture sector to enhance sustainability and innovation, such as the Agricultural Transformation Plan (ATP) activities and agricultural innovation pilot project in MRD specializing in cooperatives to develop an implementation plan for transformation goals in rice sector.

- The New Zealand embassy had been supporting GRA with significant funding to mitigate emissions, especially in livestock sector.
- SNV shared experiences of AgResults program, which applied water management to reduce GHG emission on 10,000ha while increasing farmers' income. SNV emphasized the role of the private sector in this project, contributing the reduction of 2-3tCO2e/yr/ha.
- LTG was the first company to adopt SRP standards in Vietnam. Recently, SRP standards had been recently taken up and replicated by MARD.
- Rikolto also supported SRP in Dong Thap and Kien Giang provinces.

Photo 5: Mr. Harm Haverkort – Netherlands Embassy

Regarding the way forwards, participants raised the need to develop a roadmap to implement the mitigation options in specific areas targeted for conversion. GIZ (SIPA) had submitted the plan to support the implementation of NDCs to the DCP. The roadmap/implementation plan should clearly

identify the targeted area of state investment and areas where international support would be needed. Further study and analysis were critical to identified prioritized areas, scope, and costs of suitable mitigation measures. The implementation plan should also focus on ensuring food security and the co-benefits of mitigation measures.

Besides, the discussions stressed the importance of developing a mechanism to mainstream mitigation goals across organizations and sectors, and recognize the mitigation contributions of different stakeholders. The methods of measurement should avoid double counting of emission reduction. In this regard, IRRI shared about the development and on-going pilot of a monitoring and reporting tool to collect farm-level data of rice production practices and inform accurate calculation of GHG emissions.



Photo 6-7-8: Ms. Tran Nguyen Ha Trang - LTG; Mr. Nguyen Cong Nhue – GIZ; and Ms. Nguyen Huong Lan – Netherlands Embassy

The topic of carbon credit was touched upon. DCP expected to take lessons learn from the livestock and biogas sectors and develop a mechanism to sell carbon credits from the crop sector in the future. This would effectively support businesses to invest and implement low-carbon rice by ensuring economic profits. The pilot of Carbon credit certification in rice should be implemented soon, as the baseline of GHG emissions was getting higher and higher. Towards the end of the discussion, DCP proposed tow collaborate with LTG and Rikolto to outscale SRP in MRD and find a way to implement Carbon trading in the rice sector. IRRI also stressed the significance of developing a business case to explore this matter, and committed to continue technical assistance to DCP in this area.

Photo 9: All participants at the workshop