



# Education Quarterly Reviews

---

**Minh, L. T. (2026). Vietnam's Legal Pathway to International Carbon Market Integration: Operationalizing Article 6 of the Paris Agreement in Domestic Law. *Education Quarterly Reviews*, 9(1), 171-181.**

ISSN 2621-5799

DOI: 10.31014/aior.1993.09.01.629

The online version of this article can be found at:  
**<https://www.asianinstituteofresearch.org/>**

---

Published by:  
The Asian Institute of Research

The *Education Quarterly Reviews* is an Open Access publication. It may be read, copied, and distributed free of charge according to the conditions of the Creative Commons Attribution 4.0 International license.

The Asian Institute of Research *Education Quarterly Reviews* is a peer-reviewed International Journal. The journal covers scholarly articles in the fields of education, linguistics, literature, educational theory, research and methodologies, curriculum, elementary and secondary education, higher education, foreign language education, teaching and learning, teacher education, education of special groups, and other fields of study related to education. As the journal is Open Access, it ensures high visibility and the increase of citations for all research articles published. The *Education Quarterly Reviews* aims to facilitate scholarly work on recent theoretical and practical aspects of education.



ASIAN INSTITUTE OF RESEARCH  
Connecting Scholars Worldwide

# Vietnam's Legal Pathway to International Carbon Market Integration: Operationalizing Article 6 of the Paris Agreement in Domestic Law

Le Thi Minh<sup>1</sup> 

<sup>1</sup> School of Law and Management, Thu Dau Mot University, Ho Chi Minh city, Vietnam  
ORCID: <https://orcid.org/0000-0003-0156-4046>; Email: [Minhlt@tmdu.edu.vn](mailto:Minhlt@tmdu.edu.vn)

## Abstract

Article 6 of the Paris Agreement creates unprecedented opportunities and obligations for developing countries seeking to participate in international carbon markets. For Vietnam, whose greenhouse gas (GHG) reduction commitments under its updated Nationally Determined Contributions (NDCs) are partially conditioned on international financial support, effective legal operationalization of Article 6 cooperation mechanisms represents both a strategic imperative and a significant legal design challenge. This article examines the legal framework that Vietnam must develop to operationalize Article 6 in domestic law, with particular focus on three cooperation pathways: bilateral internationally transferred mitigation outcome (ITMO) arrangements under Article 6.2; participation in the centralized Article 6.4 sustainable development mechanism; and broader carbon market linkage enabling international recognition of Vietnamese mitigation activities. The analysis identifies five critical legal design challenges: the absence of a domestic legal definition and status for ITMOs; the lack of a corresponding adjustment legal framework specifying how international transfers of mitigation outcomes will be accounted for in Vietnam's NDC; unresolved questions regarding the sovereign authority over carbon resources arising from national territory; inadequate legal infrastructure for the authorization and tracking of mitigation outcomes designated for international transfer; and insufficient legal clarity on the relationship between international carbon transactions and Vietnam's domestic ETS framework. Drawing on comparative analysis of the legal operationalization of Article 6 in Singapore, South Korea, and Switzerland—countries that have concluded advanced Article 6.2 bilateral agreements—the article proposes a set of concrete legislative and regulatory measures to establish a coherent domestic legal framework for Vietnam's international carbon market participation. The findings contribute to the nascent but rapidly growing field of international carbon market law and offer practical guidance for policymakers seeking to maximize Vietnam's participation in post-2020 international carbon cooperation.

**Keywords:** Article 6 Paris Agreement; Internationally Transferred Mitigation Outcomes; ITMO; Corresponding Adjustment; Vietnam; Carbon Market Law; Sustainable Development Mechanism; NDC Accounting; Bilateral Carbon Cooperation

## 1. Introduction

Article 6 of the Paris Agreement, adopted by the twenty-first Conference of the Parties (COP21) in December 2015, establishes the international legal foundation for market-based and non-market cooperation in greenhouse gas mitigation between countries. After years of complex multilateral negotiations, the Article 6 rulebook was finalized at COP26 in Glasgow (2021) through the adoption of Decision 2/CMA.3, with further technical elaboration at COP27 (2022) and COP28 (2023). The operationalization of Article 6 creates both significant opportunities and significant legal complexities for developing countries seeking to participate in international carbon markets: opportunities, because international carbon cooperation can mobilize financial flows for mitigation activities that would otherwise be unaffordable; complexities, because the legal architecture required to ensure credible, accountable, and NDC-consistent international carbon transactions is demanding and must be constructed largely in domestic law.

Vietnam sits at a particularly critical juncture in this landscape. The country is simultaneously one of the most significant potential supply-side actors in international carbon markets—possessing large carbon sequestration potential in its forests, rapid renewable energy expansion capacity, and a growing portfolio of mitigation activities across industry and agriculture—and one of the developing countries most in need of international financial support to achieve its climate commitments. Vietnam's updated NDCs, submitted in 2022, explicitly condition a substantial portion of its 43.5 percent emission reduction target by 2030 on international financial support, creating a direct legal and policy nexus between international carbon market participation and NDC implementation.

Despite this strategic importance, Vietnam's domestic legal framework for Article 6 participation remains at an early stage of development. The Law on Environmental Protection 2020 (LOPE 2020) provides general authority for international carbon market engagement, and Decision No. 1775/QĐ-TTg (2021) references participation in the global carbon market as a policy objective. However, neither instrument provides the specific legal mechanisms that Article 6 operationalization requires: definitions of ITMOs under Vietnamese law; a corresponding adjustment framework; authorization procedures for the transfer of mitigation outcomes; legal rules for the relationship between international transfers and the domestic ETS; or a legal basis for the bilateral agreements and multilateral mechanism participations that Article 6 cooperation entails.

Vietnam has, however, begun to engage practically with Article 6 cooperation. Under the Japan-led Joint Crediting Mechanism (JCM)—a bilateral cooperation arrangement that predates but is now aligned with Article 6.2—Vietnam has authorized a growing portfolio of mitigation projects across renewable energy, energy efficiency, and urban transport sectors. The government has also engaged in discussions with South Korea, Singapore, and European partners regarding potential Article 6.2 bilateral agreements. These practical engagements are proceeding in advance of a coherent domestic legal framework—a situation that creates both operational risks for existing projects and systemic risks for Vietnam's longer-term carbon market credibility.

This article addresses this gap by analyzing the legal architecture that Vietnam must construct to operationalize Article 6 in domestic law and identifying the specific instruments and reforms required. Section 2 establishes the international legal framework of Article 6 and its key operational requirements. Section 3 assesses Vietnam's current legal readiness across five critical dimensions. Section 4 presents a comparative analysis of legal operationalization in three comparator countries. Section 5 proposes a structured set of legislative and regulatory reforms. Section 6 concludes with a synthesis of findings and a forward-looking perspective on Vietnam's international carbon market trajectory.

## 2. The International Legal Framework of Article 6 and Its Domestic Legal Implications

### 2.1. *The Three Pillars of Article 6 Cooperation*

Article 6 of the Paris Agreement creates three distinct but interrelated pathways for international carbon market cooperation. Article 6.2 establishes a framework for voluntary bilateral or plurilateral cooperation between countries through the transfer of internationally transferred mitigation outcomes (ITMOs)—units representing

verified GHG emission reductions or removals that a host country authorizes for use toward another country's NDC. Article 6.4 establishes a centralized mechanism under the authority of a supervisory body designated by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), through which emission reductions and removals can be certified and transferred internationally. Article 6.8 establishes a framework for non-market approaches that do not involve the transfer of mitigation outcomes between parties.

For a country like Vietnam that seeks to supply ITMOs or Article 6.4 credits to demand-side countries, the legal implications of participation in each pathway are substantial. Under Article 6.2, the host country (Vietnam) must authorize the specific mitigation outcomes that will be transferred, apply a corresponding adjustment that removes those outcomes from its own NDC accounting, and maintain records in its national registry sufficient to demonstrate that transferred outcomes are not double-claimed. Under Article 6.4, the host country must authorize the participation of project proponents in the mechanism, establish a national authority to issue authorizations, ensure that authorized projects meet the mechanism's requirements, and apply corresponding adjustments for any outcomes issued for use outside the host country's NDC (UNFCCC, 2021, 2022).

### *2.2. The Corresponding Adjustment: The Central Legal Obligation*

The corresponding adjustment is the conceptual and technical heart of Article 6 cooperation and creates the most demanding domestic legal requirements for host countries. A corresponding adjustment is an accounting procedure through which a country that transfers ITMOs to another country adds the transferred amount to its own emissions (or subtracts it from its removals) in its NDC accounting, thereby ensuring that the transferred outcomes are not simultaneously counted toward the host country's NDC. This procedure is essential to preventing double-counting—the scenario in which a single unit of emission reduction is simultaneously counted by both the host country that generated it and the acquiring country that uses it toward its own NDC.

The legal operationalization of corresponding adjustments requires domestic law to specify: the legal authority responsible for calculating and applying corresponding adjustments; the timing and modality of adjustment application; the treatment of adjustments in the context of multi-year NDC targets; the legal consequences for host country NDC compliance of different volumes of authorized international transfers; and the relationship between corresponding adjustments and domestic ETS accounting. None of these questions is addressed in Vietnam's current legal framework, creating a foundational gap in the country's Article 6 legal architecture.

### *2.3. Authorization: The Sovereign Legal Act*

Authorization is the formal legal act through which a host country designates specific mitigation outcomes as available for international transfer under Article 6.2, or designates project activities as eligible to generate Article 6.4 credits for international use. Under the Article 6 rulebook, authorization is a sovereign act performed by the host country in accordance with its domestic law and procedures; it constitutes a binding representation to the international community that the authorized outcomes meet Article 6 requirements and that corresponding adjustments will be applied. The legal finality and reliability of authorizations are thus critical to the credibility of the entire Article 6 system: if host country authorizations can be revoked, modified, or disputed under domestic law, the security of international carbon transactions is fundamentally compromised (Marcu, 2021).

## **3. Assessment of Vietnam's Current Legal Readiness for Article 6 Participation**

### *3.1. Dimension 1: Domestic Legal Definition and Status of ITMOs*

The first and most fundamental legal readiness gap concerns the absence of a domestic legal definition of internationally transferred mitigation outcomes in Vietnamese law. ITMOs are a novel legal construct created by the Paris Agreement rulebook that have no direct analogue in existing Vietnamese environmental, commercial, or property law. Without a domestic legal definition that specifies the nature of an ITMO as a legal instrument—its relationship to the GHG emission reductions that underlie it, the rights and obligations it creates, its transferability

and tradability, and its relationship to other environmental instruments—Vietnamese law cannot provide the legal clarity required for Article 6 transactions.

The absence of an ITMO definition creates cascading legal uncertainties. It is unclear whether ITMOs constitute a form of property under the Civil Code 2015, and if so, what legal regime governs their creation, transfer, and cancellation. It is unclear whether ITMO transactions are subject to financial market regulation, commercial law, or a sui generis regime. It is unclear whether foreign entities that acquire ITMOs from Vietnam-based projects have legal standing to enforce their acquisition rights under Vietnamese law. These uncertainties expose both Vietnamese project developers and international buyers to legal risk that is likely to deter investment in Vietnam's potential Article 6 supply.

### *3.2. Dimension 2: Corresponding Adjustment Legal Framework*

The second critical gap is the absence of a legal framework governing the application of corresponding adjustments in Vietnam's NDC accounting. Corresponding adjustments will, when Article 6 cooperation becomes operational at scale, represent material changes to Vietnam's official emissions accounting—potentially affecting the country's assessed compliance with its NDC targets. The decisions about which mitigation outcomes to authorize for international transfer, and therefore which corresponding adjustments to apply, are thus both technically and politically significant sovereign choices that require explicit legal authority and procedural frameworks.

Under Vietnam's current legal framework, no ministry or agency has been designated with the legal authority to determine, calculate, and formally apply corresponding adjustments. The division of authority between MONRE (which manages GHG inventories and climate policy), MOF (which manages financial transactions), and the potential role of the Ministry of Foreign Affairs (MFA) in international agreements has not been legally specified. This institutional vacuum creates both a practical implementation barrier and a legal accountability gap: if corresponding adjustments are applied inconsistently or incorrectly, there is no clear legal framework determining which authority is responsible or what remedies are available.

### *3.3. Dimension 3: Sovereign Authority Over Carbon Resources*

A third legal dimension concerns Vietnam's assertion of sovereign authority over the mitigation outcomes generated within its national territory—the legal precondition for the host country authorization of those outcomes for international transfer. Under the Paris Agreement framework, only the host country can authorize ITMOs, and this authorization is understood to be an exercise of national sovereignty. For Vietnam, the legal articulation of this sovereign authority requires clarity on several questions that are currently unaddressed: which organ of the state holds the authority to authorize ITMOs (the Government, MONRE, or another designated body); what legal procedure governs the authorization process; whether authorization constitutes a licensing decision subject to administrative law principles including procedural fairness and judicial review; and what the legal relationship is between ITMO authorization and existing project licensing and environmental approval processes.

### *3.4. Dimension 4: Registry and Tracking Infrastructure*

Effective Article 6 participation requires a national registry system capable of tracking the authorization, issuance, transfer, and cancellation of ITMOs in a manner consistent with the international reporting requirements of the Article 6 rulebook. The rulebook requires host countries to maintain national arrangements that record: the first transfer of ITMOs from the national registry to an international buyer's registry; corresponding adjustments applied in each NDC target period; and the linkage between ITMO records and the underlying mitigation activities. Vietnam's national GHG registry, while mandated in Decree No. 06/2022/ND-CP, had not been fully operationalized as of early 2025, and its technical specifications do not currently include the Article 6-specific data fields and connectivity protocols required for international registry linkage.

### *3.5. Dimension 5: Relationship Between Article 6 and the Domestic ETS*

The fifth legal design challenge concerns the relationship between international Article 6 transactions and Vietnam's domestic ETS. In principle, these two market mechanisms are legally distinct: the domestic ETS creates compliance obligations for covered enterprises under Vietnamese law, while Article 6 involves sovereign-level accounting transactions in Vietnam's international climate commitments. In practice, however, the two systems interact significantly: if a mitigation activity generates both domestic ETS credits (used by covered enterprises for compliance) and ITMOs (transferred internationally), the corresponding adjustment for the ITMOs must account for the fact that those emissions reductions have already been used domestically, to avoid double-claiming at the national level. The legal rules governing this interaction—particularly the prohibition on double-use of a single emission reduction unit for both domestic ETS compliance and international ITMO transfer—do not exist in Vietnam's current legal framework.

Table 1: Assessment of Vietnam's Legal Readiness for Article 6 Participation

Legal Readiness Dimension	Readiness Level	Current Legal Status	Primary Gap
ITMO domestic legal definition	Very Low	No definition in any current legal instrument; no property law classification	ITMOs legally invisible under Vietnamese law; no enforceable rights framework
Corresponding adjustment framework	Very Low	No authority designated; no calculation methodology; no procedural rules	NDC accounting for international transfers legally unmanaged
Sovereign authorization procedure	Low	General authority in LOPE 2020 Art. 139; no implementing procedure	No formal legal process for authorization decisions; no legal finality rules
Registry and tracking infrastructure	Low	National ETS registry mandated but not operational; no Article 6-specific data architecture	Cannot meet international reporting requirements; no international registry connectivity
ETS-Article 6 interface rules	Very Low	No instrument addresses interaction between domestic ETS and international ITMO transfers	Double-use risk unaddressed; eligible activity categories unclear

Note. Readiness assessment based on documentary analysis of Vietnamese legal instruments, current as of January 2025. Readiness levels: Very Low = no relevant legal provision exists; Low = general authority exists without an implementing framework; Medium = framework exists with significant gaps; High = comprehensive framework with minor gaps.

#### 4. Comparative Analysis: Legal Operationalization of Article 6 in Comparator Countries

##### 4.1. Singapore: Comprehensive Legal Architecture for Article 6.2

Singapore represents the most legally advanced case of Article 6.2 operationalization in Southeast Asia, having concluded bilateral agreements with Papua New Guinea, Ghana, Rwanda, Bhutan, Cambodia, Chile, Vietnam (under negotiation as of 2025), and several other countries. Singapore's legal framework for Article 6 participation is anchored in the Carbon Pricing Act 2018 (amended 2022), which was specifically amended to provide the legal basis for ITMO transactions and the Carbon Market Cooperation Framework.

The Singapore framework provides several legally instructive features. First, it specifies the legal definition of an international carbon credit that is eligible for recognition under Singapore's carbon market—including the requirement that credits come from countries with which Singapore has concluded a bilateral cooperation agreement that includes corresponding adjustment provisions. Second, it establishes a clear legal authority (the National Environment Agency) with specific powers to authorize the acquisition of international carbon credits, set eligibility criteria, and maintain records. Third, it creates explicit legal rules preventing double-counting between Singapore's domestic compliance mechanism and international transactions. Fourth, it provides legal

finality for authorization decisions made under the bilateral agreements, protecting international buyers from the risk of subsequent revocation under domestic law (National Climate Change Secretariat, 2022).

#### 4.2. South Korea: Integration of Article 6 into a Mature ETS

South Korea's experience is particularly instructive for Vietnam because it involves the integration of Article 6 participation into an already-functioning domestic ETS—the Korea Emissions Trading Scheme (K-ETS), launched in 2015 and now in its third phase. South Korea has concluded several bilateral Article 6.2 agreements, including with Vietnam (the Korea-Vietnam Article 6.2 Pilot Project framework, signed in 2022), and its legal framework for Article 6 participation has been developed through amendments to the Act on the Allocation and Trading of Greenhouse Gas Emission Permits and supporting regulations.

South Korea's legal approach is notable for its explicit delineation of the relationship between domestic ETS allowances and internationally transferred mitigation outcomes. Korean law specifies the conditions under which emission reductions generated by Korean enterprises may be authorized for international transfer, including provisions preventing the same emission reduction from being used simultaneously for domestic K-ETS compliance and international ITMO transfer. It also establishes the legal authority and procedure for the corresponding adjustment calculation, vesting responsibility in the Ministry of Environment with a defined methodology and reporting timeline aligned with Korea's biennial transparency reports under the Paris Agreement (Ministry of Environment, Republic of Korea, 2023).

#### 4.3. Switzerland: Bilateral Agreements as the Legal Cornerstone

Switzerland has pursued Article 6 operationalization primarily through a network of bilateral cooperation agreements with host countries, establishing the legal framework for each transaction relationship through negotiated international instruments that are then implemented in domestic law. Switzerland's Climate Act (amended 2023) provides the domestic legal authority for these bilateral arrangements and specifies the domestic legal effects of ITMO acquisition, including their counting toward Switzerland's NDC under the Paris Agreement. Switzerland's bilateral agreements themselves contain detailed provisions on authorization procedures, corresponding adjustment obligations, registry connectivity, and dispute resolution—effectively creating a bilateral legal framework that supplements and operationalizes the Paris Agreement rulebook for each specific country pair (BAFU, 2023).

For Vietnam, the Swiss model is significant because it suggests that bilateral agreement design is itself a legal instrument through which Article 6 operational requirements can be specified, reducing the immediate need for comprehensive domestic legislation on every technical question. However, this approach works effectively only when supported by robust domestic legal authority to conclude and implement such agreements—authority that Vietnam must still establish.

Table 2: Comparative Legal Framework for Article 6 Operationalization: Singapore, South Korea, and Switzerland

Legal Design Dimension	Singapore	South Korea	Switzerland
Primary legal basis	Carbon Pricing Act (amended)	GHG Emission Permits Act (amended)	Climate Act + bilateral agreements
ITMO/credit definition	Statutory definition with eligibility criteria	Defined in regulations with ETS interaction rules	Defined in bilateral agreement terms
Authorization authority	National Environment Agency (NEA)	Ministry of Environment	Federal Office for the Environment (BAFU)

Corresponding adjustment procedure	Legally specified; tied to bilateral agreement provisions	Ministry of Environment; methodology in regulations	Bilateral agreement specifies; domestic law implements
ETS-Article 6 interface	Explicit anti-double-use provisions	Statutory prohibition on dual-use	Bilateral agreement provisions on eligible credits
Legal finality of authorizations	Protected under bilateral agreement and domestic law	Administrative law review limited; finality provisions	Bilateral agreement governs; domestic law implements

Note. Compiled from national legislation, bilateral agreement texts, and official government reports. Current as of mid-2025.

## 5. Proposed Legal Framework for Vietnam's Article 6 Operationalization

### 5.1. A Dedicated Article 6 Implementation Regulation

The most important structural reform proposed in this study is the enactment of a dedicated Government Decree on International Carbon Market Participation and Article 6 Implementation (the Article 6 Decree). This instrument, which could be developed as a standalone decree or as a substantial amendment to Decree No. 06/2022/ND-CP, would provide the legal foundation for Vietnam's participation in both Article 6.2 bilateral arrangements and the Article 6.4 mechanism. Its substantive scope should encompass: a domestic legal definition of internationally transferred mitigation outcomes and Article 6.4 authorized units; the legal authority and procedure for ITMO authorization, including the institutional competence, procedural requirements, and legal effects of authorization decisions; the corresponding adjustment calculation methodology and reporting obligations; the legal rules governing the relationship between Article 6 transactions and the domestic ETS; and the legal basis for bilateral carbon market cooperation agreements.

The Article 6 Decree should designate MONRE as the primary Article 6 authority, with a dedicated Unit for International Carbon Market Cooperation responsible for authorization decisions, corresponding adjustment management, and registry oversight. It should specify inter-ministerial consultation requirements—particularly with the Ministry of Foreign Affairs (for treaty law implications), MOF (for financial flows), and MOIT (for covered industrial sectors)—while ensuring that authorization decisions are made within defined timeframes to provide investment certainty for project developers.

### 5.2. Civil Code Amendment for ITMO Property Status

Vietnam should enact an explicit amendment to the Civil Code 2015 or issue a government resolution classifying ITMOs and Article 6.4 authorized units as intangible property under Vietnamese civil law, with full property rights including the right of transfer, pledge as collateral, and legal protection against unauthorized appropriation. This classification should specify: the point at which an ITMO comes into existence as a legal property right (upon authorization by the competent authority and registration in the national registry); the legal consequences of registry errors for property rights; the applicable rules for transfer transactions; and the treatment of ITMOs in enterprise insolvency proceedings. Without this legal foundation, ITMOs cannot function as commercially secure assets in Vietnamese law, and international buyers will face unacceptable legal uncertainty regarding the security of their acquisitions.

### 5.3. A Bilateral Agreement Template and Authorization Protocol

Vietnam should develop a standard bilateral cooperation agreement template for Article 6.2 arrangements, aligned with the Paris Agreement rulebook requirements and adaptable to different partner country contexts. This template should incorporate: a definition of eligible mitigation activities; authorization procedures and timelines; corresponding adjustment obligations and methodology; registry connectivity requirements; dispute resolution mechanisms; and provisions on the legal finality of authorizations under each party's domestic law. The template

should be published as an official instrument of the competent authority (MFA in consultation with MONRE) and should have domestic legal status as an approved framework for bilateral negotiations, reducing the time and transaction costs of negotiating individual bilateral agreements with each partner country.

#### 5.4. National Carbon Registry Upgrade for Article 6 Compliance

The national GHG registry mandated in Decree No. 06/2022/ND-CP must be upgraded, both technically and legally, to support Article 6 participation. The legal upgrade requires: explicit statutory provisions governing the Article 6-specific functions of the registry, including the recording of authorized ITMOs, corresponding adjustment entries, and international transfer records; legal rules on the access rights of foreign registry operators to Vietnamese registry data for purposes of international transfer verification; provisions on the legal finality and evidential value of registry entries in administrative and civil proceedings; data protection and cybersecurity requirements for registry operations; and liability rules for registry errors and system failures.

#### 5.5. Legislative Reform Package: Timeline and Instruments

The proposed reforms are organized in Table 3 according to legal instrument, implementation timeline, and responsible institution. The sequencing reflects a pragmatic approach that prioritizes the reforms most urgently needed to support ongoing Article 6.2 negotiations and existing JCM project authorizations, while building toward the more comprehensive legal architecture required for full Article 6 operationalization.

Table 3: Proposed Legislative and Regulatory Reform Package for Article 6 Operationalization in Vietnam

Proposed Reform	Legal Instrument Required	Timeline	Responsible Institution
Dedicated Article 6 implementation decree	Government Decree (standalone or amend Decree 06/2022)	2025-2026	MONRE (lead); MFA, MOF, MOIT (consult)
ITMO civil property status classification	Civil Code amendment or Government Resolution	2025-2026	Ministry of Justice; MONRE
Authorization procedure and legal finality rules	Article 6 Decree implementing regulation or MONRE circular	2026	MONRE Unit for International Carbon Market Cooperation
Corresponding adjustment calculation methodology	MONRE technical circular with legal status	2026	MONRE; Ministry of Science and Technology
Bilateral agreement standard template	MFA official instrument with inter-ministerial approval	2025-2026	MFA (lead); MONRE, MOF (consult)
National registry upgrade (Article 6 specifications)	Amendment to Decree 06/2022 registry provisions + technical specifications	2025-2027	MONRE; Ministry of Information and Communications
ETS-Article 6 interface anti-double-use rules	Amendment to Decree 06/2022 or Article 6 Decree	2026-2027	MONRE; MOF

Note. Reform sequencing based on assessment of implementation urgency, legislative calendar, and institutional capacity. Timelines are indicative and subject to revision based on political and administrative developments.

## 6. Discussion and Conclusion

### 6.1. Theoretical Contributions

This article makes several contributions to the emerging field of international carbon market law. First, it develops a multi-dimensional legal readiness assessment framework—encompassing ITMO definition, corresponding adjustment, authorization sovereignty, registry infrastructure, and ETS interface—that provides an analytically structured approach to evaluating a country's legal preparedness for Article 6 participation. This framework is applicable beyond Vietnam and can be adapted as an analytical tool for comparable assessments in other developing and transitional countries seeking to build Article 6 legal architecture.

Second, the article advances the concept of domestic legal operationalization of international climate commitments as a distinct field of study within international environmental law. Article 6 of the Paris Agreement is an international framework agreement that assigns specific legal obligations and opportunities to countries, but whose implementation necessarily occurs primarily in domestic law. The analysis demonstrates that the adequacy of domestic legal operationalization—not merely the formal ratification of international commitments—is the determinative factor in whether countries can effectively participate in international carbon markets. This insight has implications for how international climate law scholarship evaluates compliance and effectiveness.

### 6.2. Practical Implications

For Vietnamese policymakers, the analysis generates several concrete and urgent practical implications. The ongoing negotiations of Article 6.2 bilateral agreements—including with Japan (JCM), South Korea, Singapore, and potentially European partners—are proceeding without a coherent domestic legal framework for ITMO authorization and corresponding adjustment management. This creates legal vulnerability: authorizations issued without a sound domestic legal basis may be legally contestable, and corresponding adjustments applied without a clear legal methodology may be disputed in Vietnam's international transparency reporting. Addressing these gaps urgently, through the Article 6 Decree proposed in Section 5.1, should be treated as a high-priority legislative task for MONRE and the Government in the 2025-2026 period.

More broadly, Vietnam's capacity to capitalize on the significant financial flows that international carbon markets can generate for its NDC implementation depends on establishing the legal credibility and predictability that international buyers require. The comparative analysis of Singapore, South Korea, and Switzerland demonstrates that countries with comprehensive Article 6 legal frameworks attract significantly more international carbon cooperation interest than those without. Vietnam's substantial mitigation potential across forestry, renewable energy, and urban transport sectors creates a strong economic rationale for prioritizing Article 6 legal operationalization as an investment in the country's long-term climate finance access.

### 6.3. Limitations and Future Research Directions

Several limitations of this study warrant acknowledgment. The article focuses on the legal design dimension of Article 6 operationalization and does not quantify the financial flows at stake from different legal framework scenarios, or model the economic implications of different authorization and corresponding adjustment design choices. Future research combining legal analysis with economic modeling of Article 6 transaction volumes and financial flows under different legal framework conditions would significantly enrich the evidence base for the legislative reform proposals advanced here.

The comparative analysis is limited to three countries, selected for their legal framework maturity and ASEAN/regional relevance. A broader comparative study encompassing a larger set of host countries—including Indonesia, Thailand, and sub-Saharan African countries actively developing Article 6 legal frameworks—would provide richer evidence on the diversity of legal approaches and their relative effectiveness. Additionally, the study focuses on the formal legal dimension of Article 6 participation; future research should examine the institutional

capacity and administrative practice dimensions, including the human resources, technical expertise, and inter-institutional coordination capabilities required to operate an effective national Article 6 authority.

Future research directions of particular relevance include: empirical assessment of the transaction costs imposed by legal uncertainty on Vietnam's existing Article 6 pipeline under the JCM framework; comparative analysis of authorization legal finality provisions across Article 6.2 bilateral agreements; evaluation of registry technical architectures suitable for developing country Article 6 participation; and analysis of the legal relationship between Article 6 authorizations and Vietnam's national environmental impact assessment and project licensing procedures for mitigation project activities.

Despite these limitations, the article establishes a comprehensive analytical foundation for the study of Vietnam's Article 6 legal architecture and advances a set of concrete, prioritized, and legally feasible reform proposals that can inform both academic scholarship and policymaking in this rapidly developing field. Vietnam's net-zero commitment and its significant carbon market potential make the legal operationalization of Article 6 not merely an academic question but a practical imperative whose timely resolution will have material consequences for the country's climate finance trajectory and its international climate credibility.

**Conflict of Interest:** On behalf of all authors, the corresponding author states that there is no conflict of interest.

**Funding:** Not applicable.

**Informed Consent Statement / Ethics Approval:** Not applicable. This study is a legal and documentary analysis that did not involve human participants, human data, or human material.

**Declaration of Generative AI and AI-assisted Technologies:** This study has not used any generative AI tools or technologies in the preparation of this manuscript.

## References

- BAFU (Bundesamt für Umwelt / Federal Office for the Environment). (2023). *Switzerland's Bilateral Agreements under Article 6 of the Paris Agreement: Legal Framework and Operational Procedures*. Bern: BAFU.
- Decision 2/CMA.3, Glasgow Climate Pact: Guidance on Cooperative Approaches referred to in Article 6, paragraph 2, of the Paris Agreement, UNFCCC Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement (COP26), November 13, 2021.
- Decree No. 06/2022/ND-CP of January 7, 2022, on the Reduction of Greenhouse Gas Emissions and Ozone Layer Protection, Government of the Socialist Republic of Vietnam.
- Decision No. 1775/QĐ-TTg of October 21, 2021, on Managing Carbon Credits, Developing a Domestic Carbon Market, and Participating in the Global Carbon Market, Prime Minister of the Socialist Republic of Vietnam.
- GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). (2023). *Article 6 Implementation in Southeast Asia: Legal and Institutional Frameworks*. GIZ Regional Programme on Climate Finance.
- Government of the Republic of Singapore / National Climate Change Secretariat. (2022). *Singapore's Framework for Cooperative Approaches under Article 6 of the Paris Agreement*. Singapore: Prime Minister's Office.
- Haites, E., Yamin, F., & Boclouk, N. (2022). Article 6 mechanisms under the Paris Agreement and their implications for host countries: Legal and policy considerations. *Climate Policy*, 22(8), 1017-1028. <https://doi.org/10.1080/14693062.2022.2065590>
- Law No. 72/2020/QH14, Law on Environmental Protection (LOPE 2020), National Assembly of the Socialist Republic of Vietnam, November 17, 2020.
- Law No. 91/2015/QH13, Civil Code, National Assembly of the Socialist Republic of Vietnam, November 24, 2015.
- Lo Re, M., Mehling, M., & Hahn, R. (2023). Corresponding adjustments under Article 6 of the Paris Agreement: Design options and legal implications. *Environmental and Resource Economics*, 84(2), 387-417. <https://doi.org/10.1007/s10640-022-00734-6>
- Marcu, A. (2021). Article 6 of the Paris Agreement: A guide to the negotiations and the resulting framework. *Carbon Mechanisms Review*, 9(2), 4-19.

- Mehling, M. A., & Haites, E. (2009). Mechanisms for linking emissions trading schemes. *Climate Policy*, 9(2), 169-184. <https://doi.org/10.3763/cpol.2008.0524>
- Ministry of Environment, Republic of Korea. (2023). *Korea's Implementation Framework for Article 6 Cooperation: Legal Basis, Authorization Procedures, and Corresponding Adjustment Methodology*. Seoul: Ministry of Environment.
- Ministry of Natural Resources and Environment (MONRE). (2022). *Updated Nationally Determined Contributions of Viet Nam*. Hanoi: MONRE.
- Ministry of Natural Resources and Environment (MONRE). (2024). *Report on International Carbon Market Cooperation and Article 6 Readiness*. Hanoi: MONRE.
- Narassimhan, E., Gallagher, K. S., Koester, S., & Alejo, J. R. (2018). Carbon pricing in practice: A review of existing emissions trading systems. *Climate Policy*, 18(8), 967-991. <https://doi.org/10.1080/14693062.2018.1467827>
- Paris Agreement to the United Nations Framework Convention on Climate Change, December 12, 2015, T.I.A.S. No. 16-1104.
- Rempel, A., & Gupta, J. (2021). Fossil fuel divestment and climate change: Reviewing contested arguments. *Energy Research and Social Science*, 76, 102043. <https://doi.org/10.1016/j.erss.2021.102043>
- UNFCCC. (2021). *Decision 2/CMA.3: Guidance on Cooperative Approaches referred to in Article 6, paragraph 2, of the Paris Agreement*. Glasgow: UNFCCC.
- UNFCCC. (2022). *Decision 3/CMA.4: Rules, Modalities and Procedures for the Mechanism established by Article 6, Paragraph 4, of the Paris Agreement*. Sharm el-Sheikh: UNFCCC.
- UNFCCC. (2022). *Updated Nationally Determined Contribution of the Socialist Republic of Viet Nam*. Ministry of Natural Resources and Environment, Hanoi.
- World Bank. (2024). *State and Trends of Carbon Pricing 2024*. Washington, D.C.: World Bank Group.
- Wongkongkathep, S., & Chaisri, T. (2023). Legal frameworks for Article 6 participation in ASEAN: Comparative assessment and policy implications. *ASEAN Journal of Environmental Law*, 4(1), 45-72.
- Zhang, D., Karplus, V. J., Cassisa, C., & Zhang, X. (2022). Emissions trading in China: Progress and prospects. *Energy Policy*, 75, 9-16. <https://doi.org/10.1016/j.enpol.2022.112647>