

Viet Nam Energy Partnership Group
TECHNICAL WORKING GROUP ON RENEWABLE ENERGY
REPORT OF THE 6TH MEETING

Date: 07 April 2021
Location: MoIT meeting room 101, 25 Ngo Quyen, Hanoi
Time: 14:00 – 16:30

Key agenda points:

Chair and Co-Chair:

- **Mr. Nguyễn Ninh Hải**, Director, Division of New and Renewable Energy, Electricity and Renewable Energy Authority, Ministry of Industry and Trade (MOIT)
- **Mr. Sebastian Paust**, First Counsellor, Head of Cooperation and Development - German Embassy

Agreed Conclusions and Actions: (See next page)

Agenda: See Annex 1

Participants: See Annex 2

Minutes: See Annex 3

Inputs: See Annex 4 -

4.1- EREA/MOIT's Responses on the Comments from Stakeholders on Draft MOIT Circular Stipulating Project Development and Standardized Power Purchasing Agreement for Solar Power Projects

4.2 – Presentations

4.3- OECD: Clean Energy Finance and Investment Mobilization

AGREED CONCLUSIONS AND ACTIONS:

Decisions	Action
<ul style="list-style-type: none"> • Proposed TWG on RE themes/activities for 2021 and next VEPG phase: <ul style="list-style-type: none"> - Strengthening the regulatory framework for the development of renewable energy: auctioning mechanism for ground mounted solar project and revise FIT for small-scale rooftop solar projects, pricing mechanism for offshore wind power. - Finance and investment for Renewable Energy: define and develop green bond, improve data on energy finance and investment. - Utilizing mediamass and PR campaigns to raise awareness of local residents on using renewable energy and environment protection - VEPG restructure: include more themes to be more specific and comprehensive and enhance the participation of representatives from private sectors, broaden the cooperation with other ministry and local authority at provincial levels. 	<p>VEPG Secretariat to continue to collect more inputs, comments, and recommendations for the TWG's priorities in 2021 and beyond 2021.</p>
<ul style="list-style-type: none"> • The OECD has requested to incorporate activities under its MoU with the Government of Viet Nam/MOIT into the VEPG going forward. 	<p>The VEPG Secretariat will include these proposals in reporting to the Steering Committee for decision at the June 2021 Steering Committee Meeting.</p>

NNEX 1 - AGENDA

14.00-14.05 Log-In & Guidance for Webinar Users

14.05-14.20 Welcome & Opening Remarks

Mr. Nguyễn Ninh Hải / Mr. Sebastian Paust

- Opening and introduction to the agenda

Ms. Amber Sharick

- Report of the Secretariat on VEPG planning 2021

14.20-15.20 Update on Renewable Energy Development

- EREA/MOIT: Updates on renewable energy development
 - Incentive mechanism for Solar after Decision 13/ Auctioning mechanism
 - Offshore wind development roadmap
 - Biomass and Waste-to-Energy Development
- Participants: Q&A

15.20-16.00 Development Partner Updates

- Scheduled interventions
- Participants: Additional Updates & Discussion

16.00-16.45 Moderated Planning Session

Priority topics & activities for 2021

16.45-17.00 Closing Remarks

Mr. Nguyễn Ninh Hải / Mr. Sebastian Paust

ANNEX 2 - Participants

Co-chairs

- **Mr. Nguyễn Ninh Hải**, Director, New and Renewable Energy Division, Electricity and Renewable Energy Authority (EREA), Ministry of Industry and Trade (MOIT)
- **Mr. Sebastian Paust**, First Counsellor, Head of Economic Cooperation and Development - German Embassy

Participants

- **Mr. Lê Anh Đức**, Australia
- **Ms. Phạm Thị Hà**, Australia
- **Ms. Camila Holbech**, Denmark
- **Mr. Lương Thái Sơn**, World Bank
- **Ms. Trần Hồng Việt**, Denmark
- **Mr. Sven Ernedal**, GIZ
- **Ms. Anja Latacz**, GIZ
- **Mr. Nguyễn Thanh Phương**, GIZ
- **Mr. Nguyễn Anh Tuấn**, Institute of Energy
- **Mr. Antonio Tedesco**, Italy
- **Mr. Bùi Thành Trung**, JICA
- **Mr. Julian Schuetz**, KfW
- **Ms. Đỗ Thị Ngọc Bích**, KfW
- **Ms. Đỗ Minh Tâm**, WWF
- **Mr. Hà Đăng Sơn**, USAID/V-LEEP
- **Ms. Nguyễn Song Ngọc**, USAID/V-LEEP
- **Ms. Elizabeth Gelb**, USAID/V-LEEP
- **Mr. Nguyễn Hải Đức**, USAID/V-LEEP
- **Mr. Micheal Di Gregorio**, Asia Foundation
- **Mr. Antoine Logeay**, Eurocham
- **Ms. Nguyễn Hiền Linh**, Heineken Viet Nam
- **Ms. Đỗ Thu Hà**, Energy Consulting
- **Mr. Ivan Boikov**, Trade Representation of Russia in Viet Nam
- **Mr. Lương Bá Hùng**, VBF
- **Mr. Hooghe Ivo**, Belgium
- **Ms. Vương An**, British Consulate General
- **Ms. Nina Seahra**, Canada
- **Mr. Loui Algren**, DEPP
- **Mr. Trần Thùy Dương**, EUD
- **Ms. Nguyen Hanh**, GIZ
- **Ms. Nguyen Thoa**, GIZ
- **Ms. Phạm Minh Uyên**, Netherlands
- **Ms. Cecilia tam**, OECD
- **Mr. Brendan Coleman**, OECD
- **Ms. Phan Thi Kim Nhung**, Oxfam
- **Mr. Nguyen Huy**, Oxfam
- **Ms. Badariah Yosiyana**, IRENA

- **Ms. Nguyễn Hà**, SNV
- **Mr. Hoàng Hà**, SNV
- **Mr. Felix ter Heegde**, SNV
- **Ms. Sandra Wilderoth**, Sweden
- **Mr. Reymond Marcel**, Switzerland
- **Mr. Rahul Kitchlu**, WB
- **Mr. Do Tuong**, USAID
- **Ms. Đặng Thị Hương Lan**, AES
- **Ms. Le Cam Tu**, Amcham
- **Mr. Ojasvi Gupta**, Amplus Solar
- **Ms. Sanawy**, Amplus Petronas
- **Mr. Nguyen Thanh Hai**, Baker & McKenzie (Vietnam) Ltd.
- **Ms. Pham Loan**, BEC
- **Mr. Ha Duong Minh**, CIRED/CNRS
- **Ms. Vu Thu**, Energy Finance Analyst
- **Ms. Akiko Ishii**, EY
- **Mr. Pascual Gilles**, EY
- **Mr. Nguyễn Đức Tuyên**, HUST
- **Ms. Jennifer Oxlade**, Pacifico Energy
- **Ms. Raussin Sylvia**, Qair
- **Mr. Jérémy Colson**, Qair
- **Mr. Phạm Thanh**, Wartsila Corporation
- **Mr. Tran Hoang Anh**, Vietnam initiative for energy transition
- **Mr. Jeroen De Wachter**, Xanh la Solar
- **Ms. Dennis Lien**, YCP Solidiance
- **Mr. Nguyễn Minh Hiền**, Solar Developer
- **Mr. Rainer Brohm**, Independent Consultant
- **Mr. Lucas Ferrand**, Cleantech Solar
- **Mr. Eric Buysman**, GIZ/ Consultant
- **Mr. Mary Tarnowka**, AmCham
- **Mr. Mira Nahouli**, IFC
- **Mr. Micheal Lim Tian**, Petronas Viet Nam & ASEAN

VEPG Secretariat

- **Mr. Amber Sharic**, VEPG Secretariat
- **Ms. Nguyễn Phương Thảo**, VEPG Secretariat
- **Mr. Đỗ Quang Nhật**, VEPG Secretariat
- **Ms. Vũ Minh Hiền**, GIZ Support Team

ANNEX 3 - SUMMARY MINUTES

Agenda Item	
Introduction & Secretariat Report	<ul style="list-style-type: none"> • <u>Mr. Nguyễn Ninh Hải, EREA/MOIT, Chair of the TWG</u> welcomed online and in-person participants to the meeting. • <u>Mr. Sebastian Paust, the German Embassy, Co-chair of the TWG on RE</u> highlighted the importance of the work of the TWG on RE in the context of the new government and the PDP8's pending approval as well as the orientation towards phasing out of coals and increasing share of the renewable energy in the energy systems. However, some important decisions such as the auctioning mechanism for RE projects, and a new FIT for wind power are pending at the moment. The Co-chair looked forward to the discussion in the meeting. • <u>Ms. Nguyen Phuong Thao, VEPG Secretariat</u> presented the planning for the VEPG in 2021 and the outcomes of the Steering Committee (Annex 4.1).
Updates on Renewable Energy Development	<ul style="list-style-type: none"> • <u>Mr. Nguyễn Ninh Hải, the Chair of TWG</u> delivered the overview of renewable energy development in Vietnam over the past year. Below are highlights of his updates: <ul style="list-style-type: none"> - In 2020, despite many difficulties and the on-going COVID-19 pandemic, a total capacity of over 17,000 MW of renewable energy was installed with a large portion from rooftop solar and ground mounted solar power projects. Installed capacity for wind power was approximately 600 MW. Although Vietnam has great potential to develop biomass and waste power, these two sectors have yet achieved significant achievements. - The Electricity and Renewable Energy Authority (EREA) is finalizing the draft of promotion mechanism for rooftop solar projects to replace Decision 13/2020 which expired on December 31, 2020 and is taking comments before submission to the Prime Minister. <ul style="list-style-type: none"> ○ Electricity price will be determined based on the capacity ranges. The price of each project will depend on the size of the capacity of the installation system: the projects with larger scale will be applied the lower prices to encourage the installation and self-consumption of households rather than in farms or industrial buildings. ○ The adjustment of the new pricing mechanism for rooftop solar PV is aimed at developing capacity under the direction of the (MOIT) that it will encourage people and businesses to install solar power systems for their own consumption instead of installing and putting all electricity into the grid to enjoy high prices. The draft also stipulates the self-consumption ratio of projects (at least 20%) to reduce pressure on the grid investment, transmission and

	<p>distribution. Rooftop solar PV systems are only charged for a maximum of 80% of their capacity.</p> <ul style="list-style-type: none"> ○ Recently, the MOIT has asked the local authorities, provincial People's Committees, and EVN to monitor and review the rooftop solar power projects which operated with capacity of more than 100 kWp and will implement regulations on installing miniscada systems for these projects. ○ The MOIT proposes to the government to assign the MOIT to do the adjustment on the annual electricity price, the project at any given time will enjoy the price at that time for 20 years. Up to now, the draft is still in the stage of discussion for internal consultation and has not been published and received outside comments. ○ Under the guidance of the MOIT, EREA is drafting the auctioning mechanism to implement large-scale ground mounted solar, floating solar power and wind power projects. However, EREA is facing a number of difficulties occurred since many new regulations are currently promulgated. Officials of MOIT need to work closely with other ministries in monitoring and checking on the current law to avoid the regulatory conflicts. ○ In the reporting period, there were an additional number of biomass and waste power projects registered to the power development plan, but not many projects have been put into operation. <p>The TWG discussed the updates given by EREA. Follow are highlights of the discssion:</p> <ul style="list-style-type: none"> - <u>Off-shore wind and wind power development</u>: The World Bank and Denmark are supporting the EREA with the developmentof the off-shore wind roadmap which is being finalized. The report of the roadmap has been submitted to the MOIT and the report is planned to be presented in a workshop in the second half of 2021. <p>However, EREA noted that off-shore wind is relatively new to the energy sector in Viet Nam. In the Draft PDPVIII, the target is 3-5 GW for off-shore wind power. In the near future, the auctioning mechanisms will be developed for the on/near shore projects while the mechanisms to promote off-shore wind will be issued at a later date. In the second half</p> <ul style="list-style-type: none"> - <u>Private investment in the energy sector in Viet Nam</u>: the TWG highlighted the role of privat investment in renewable energy in Viet Nam especially from interatnional private investors. However, the time frame is short to attract the investment into renewable with new promotion mechanisms. - <u>Transitioning between promotion mechanisms</u>: the FiTs on Solar and Wind power both expired at the end of 2020, however, new policies on the promotion mechanisms for wind and solar (autioning) have not been issues. This caused a gap in investment and development of
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	<p>new solar and wind power projects. However, the MOIT have no policy to continue the current FIT for both wind and solar and decided to implement auctioning mechanisms for groundmounted solar and wind power projects while a new FIT for floating solar and rooftop solar are being developed.</p> <ul style="list-style-type: none"> - <u>Agro-PV dual use</u>: there are many research for dual use agro-PV conducted. However, there are many instances of false or disguised Agro-PV models. Current, there is no dedicated mechanism for the agro-pv. - <u>DPPA</u>: Draft circular on the DPPA pilot mechanism is under public consultation.
<p>Development Partner Updates</p>	<ul style="list-style-type: none"> • <u>Ms. Cecilia Tam, OECD</u> presented the findings of the clean energy finance and investment policy review for Vietnam and shared the assessments and recommendations from the OECD team (Annex 4.1) <p>OECD would like to proposed collaboration within the VEPG framework to undertake the clean energy finance and investment roadmap through VEPG’s network and collaborating with different development partners. OECD welcomes all the additional comments and inputs for the review process.</p> <ul style="list-style-type: none"> • <u>VEPG Secretariat</u> thanked OECD for the input and welcomed the request of collaboration under the VEPG framework. The topic of clean energy finance and investment will also be discussed on the upcoming TWG meeting of VEPG on Energy Efficiency scheduled on 13 April 2021. • <u>Mr. Sven Enerdal, GIZ</u> shared the updates on GIZ’s activities and 2 current projects: 4E and CIRTS. The second phase of the 4E project (Renewable Energy and Energy Efficiency) and the EU- Viet Nam Energy Facility will end in November 2021. <ul style="list-style-type: none"> - GIZ will organize number of training activities to develop capacity building for solar engineer for colleges in Ho Chi Minh and Ninh Thuan in July of 2021. In addition, GIZ supported EVN to respond to the various issues from the rooftop solar rules and planned for the series of small workshops with the distribution of companies discussing about how company deal with all the challenges practically, forecasting, dispatching, inverted technology, monitoring potentially new idea for example installation of miniscada system. - Commercial & Industrial Rooftop Solar (CIRTS) is a new project of GIZ implemented from this year with the aim that consumers and the environment shall benefit from the economical, ecological and socially suitable provision and use of RE in Vietnam. In parallel, the capacities of state and non-state stakeholders in the energy sector will be strengthened so that they can implement the goals outlined in the Green Growth Strategy and the PDP8. - For waste to energy, international consultants from GIZ have gathered information about the value chain and market. Currently

	<p>only contracts with the local experts have been secured. The project therefore has been delayed due to the absence of international experts, but it is still in progress.</p> <ul style="list-style-type: none"> • <u>Mr. Nguyen Ninh Hai, EREA</u> added that the incentive mechanism for solid waste electricity has been issued since 2014, but until now insignificant number of projects have been invested and put into operation. The EREA called for support from GIZ in coordination with the local authorities at the provincial level to conduct a research and to identify if difficulties in the implementation process coming from the technical aspect, policy perspective, conflicts of different legal sources, etc. In summary, the EREA would like to have a specific comprehensive study to determine the problems to be solved, from which it can be reported to the Prime Minister.
<p>Moderated Planning Session</p>	<p>The TWG discussed the priority topics for 2021. Below is the outcome of the discussions:</p> <ul style="list-style-type: none"> • VEPG restructure: the Co-chair discussed about how to optimize the VEPG in the next phase. The VEPG’s activities need to be more comprehensive, beyond the technical working group, need to include the participation of private sector into group and align the group with other formats. • Recycling process of Solar panel: the government is concerning about the environmental aspects of RE projects. MOIT has called for the international support from GIZ and other development partners to provide technical assistance, recycling plan, recommendation of mechanism for implementation of recycling process. This process is complicated and requires the multi-stakeholder efforts. • Raising awareness: Beside strengthening the regulatory framework and policy, EREA should cooperate with development partners to plan and organize capacity building activities and promotional campaigns, information sharing to raise the awareness and improve knowledge of local residents. • Offshore wind: it is necessary to consider the environmental aspects when developing and implementing offshore wind power.
<p>Closing Remarks</p>	<ul style="list-style-type: none"> • <u>The Chair of the TWG</u> thanked the participants for their active contribution and the Secretariat for the organization of the meeting in the hybrid format. • <u>The Co-chair of the TWG</u> thanked Mr. Hai for consistent and detailed answers for all the questions and thanked members of the TWG for their inputs and comments. The topic is forward looking and future oriented. The VEPG Secretariat is asked to continue to collect more inputs, comments, and recommendations for the TWG’s priorities in 2021 and beyond 2021.

