



PROCEEDINGS

SECOND HIGH-LEVEL MEETING OF THE VIET NAM ENERGY PARTNERSHIP GROUP

26 November 2018 at Melia Hotel, Hanoi

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ACCRONYMS

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| DEESD | Department of Energy Efficiency and Sustainable Development of MoIT |
| DEPP | Danish Energy Partnership Programme |
| DP | Development Partner |
| EAG | Economic Advisory Group of the Prime Minister of Viet Nam |
| ERAV | Energy Regulatory Authority of Viet Nam |
| EREA | Electricity and Renewable Energy Authority of MoIT |
| ESCO | Energy Service Company |
| EU | European Union |
| EUD | Delegation of the European Union to Viet Nam |
| EVN | Vietnam Electricity |
| GHG | Greenhouse gas |
| H.E. | His Excellency |
| HLM | High-Level Meeting |
| LNG | Liquified natural gas |
| MC | Master of Ceremony |
| MFD | Maximizing Finance for Development (initiative of the World Bank) |
| MoIT | Ministry of Industry and Trade |
| ODA | Official Development Assistance |
| PDP | Power Development Plan |
| PPA | Power Purchase Agreement |
| PPP | Public Private Partnership |
| RE | Renewable Energy |
| SOE | State Owned Enterprise |
| TWG | Technical Working Group |
| VEIS | Viet Nam Energy Information System |
| VEPG | Viet Nam Energy Partnership Group |
| VNEEP3 | Viet Nam National Energy Efficiency Program |
| UNFCCC | United Nations Framework Convention on Climate Change |
| WB | World Bank |

ABOUT THE VEPG

The Viet Nam Energy Partnership Group (VEPG) was established in June 2017, in an agreement between the Government of Viet Nam and Development Partners, with the purpose of strengthening mutual partnerships and better aligning and coordinating external support to the Energy Sector in Viet Nam. The VEPG is chaired by the Ministry of Industry and Trade (MoIT) and Co-Chaired by the Delegation of the European Union to Viet Nam (EUD) and the World Bank (WB).

The overall objective of the Viet Nam Energy Partnership Group (VEPG) is thus to work towards effective and efficient international support to sustainable energy development in Viet Nam, in line with national law and international agreements, of which Viet Nam is a member.

To deliver on this goal, the VEPG serves as a multi-level forum that supports high-level policy and thematic dialogue on energy development in the context of the Sustainable Development Goals and the Paris Agreement on climate change. It provides a platform to facilitate the alignment of external support with Viet Nam's energy and climate change strategies and action plans, international commitments and private investments, thereby reinforcing coherence and effectiveness and avoiding duplication of international support to the energy sector. Furthermore, through information sharing and communication between national and international stakeholders, the VEPG contributes to enhancing learning and improving information-based decision making.

The VEPG focuses on 5 priority areas - renewable energy, energy efficiency, energy sector reform, energy access and energy data & statistics – and through dedicated Technical Working Groups (TWG) it provides relevant, high-level inputs and recommendations to inform Viet Nam's energy sector policy development and planning processes.

ABOUT THE VEPG HLM

The VEPG holds an annual High-Level Meeting (HLM), which focuses on enabling and maintaining a continuous energy policy dialogue towards achieving the objectives set forth under the partnership. It is a keystone occasion to convene high-level stakeholders of Viet Nam's Energy Sector to address priority topics relevant to ongoing and future energy policy and energy sector planning processes. Furthermore, it serves as a platform to present the work of the VEPG's five (5) Technical Working Groups (TWG) and to showcase and report on the progress of activities and commitments made in the framework of the partnership.

1. BACKGROUND

The First (1st) HLM took place on 21 June 2017 at Lotte Hotel in Hanoi and gathered more than 140 participants working on Viet Nam’s energy sector development. The 1st HLM provided the setting for the official launch of the Viet Nam Energy Partnership Group. The aim and specific objectives of the VEPG were presented and stakeholders were invited to participate in the partnership by joining the VEPG Technical Working Groups. To mark the VEPG launch, the Ministry of Industry and Trade (MoIT) and the Delegation of the European Union to Viet Nam, signed a Letter of Intent and officially adopted the VEPG’s Terms of Reference.



First High-level Meeting of the VEPG

After the VEPG’s launch and leading towards the Second HLM under the supervision of the VEPG Steering Committee, the VEPG Secretariat in its support function, coordinated the establishment of the Technical Working Groups (TWG) and other activities to kick-start the partnership’s work.

The main progress milestones of the VEPG between HLM 2017 and HLM 2018 can be summarized as follows:

- 5 Technical Working Groups were formed and operationalised: TWG 1 – Renewable Energy, TWG 2 - Energy Efficiency, TWG 3 – Energy Sector Reform, TWG 4- Energy Access and TWG 5 – Energy Data & Statistics. TWGs agreed to convene at least 2 times per year.
- Based on the request of the VEPG Steering Committee, the 5 TWGs developed concrete policy recommendations to advance the sector’s development in their respective focus areas. The policy recommendations – presented for endorsement at the HLM 2018 - have been compiled into a publication, available on the VEPG’s website¹.

¹ <http://vepg.vn/wp-content/uploads/2018/11/Policy-Recommendations-Paper-HLM-2018.pdf>

- The VEPG Steering Committee met three times, on 3 May, 11 July and 5 October 2018 to review the progress of the implementation of the VEPG TWGs and to give guidance for the development of the policy recommendations and the organization of the second High-Level Meeting in November 2018.
- Representatives of TWG 1 on renewable energy participated in a seminar of the Prime Minister's Economic Advisory Group (EAG) and the EUD on 26 June 2018 to discuss and analyse key challenges and strategic options of renewable energy development in Viet Nam.
- The VEPG's website was developed as an online platform to display activities and cooperation projects of the partnership. It went online on 29 October 2018.

2. SECOND VEPG HIGH-LEVEL MEETING 2018

The Second (2nd) HLM of the VEPG was held on 26 November 2018 at Melia Hotel in Hanoi and gathered nearly 200 high-level representatives from the public sector, development partner organizations, private companies, research institutions and the civil society.

The main objective of the Second VEPG HLM was to present and endorse the TWG policy recommendations, as well as to receive the commitment of the Chair and Co-Chairs of the VEPG to carry the TWG's key messages into ongoing policy and planning process in the energy sector.

Furthermore, the VEPG used this opportunity to showcase best practice examples from selected stakeholders in the Vietnamese energy sector that can be directly related to the recommendations resulting from the TWGs.

The detailed Agenda of the 2nd VEPG HLM can be found in Annex I.

3. OPENING OF THE HLM

The Master of Ceremony (MC) Mr. Quách Quang Đông, Chief of MoIT/EREA Office, welcomed the high-level representatives and all participants and presented the objectives of the HLM.

The opening by the MC was followed by a musical performance by Ms. Thùy Anh – a renowned Vietnamese Erhu artist.

The MC then invited the VEPG Chair and Co-Chairs to deliver their welcome addresses.



Vice Minister Đặng Hoàng An delivers his welcome address

In his welcome address, H.E. Đặng Hoàng An, Vice Minister of Industry and Trade (MoIT) on behalf of the VEPG Chair H.E. Trần Tuấn Anh, Minister of MoIT, delivered the following key messages:

- Viet Nam is committed towards the implementation of the United Nations Framework Convention on Climate Change (UNFCCC), as well as of the Paris Agreement.
- Viet Nam should develop a mechanism and framework to integrate and coordinate official development assistance (ODA) and national mechanisms and policies in a holistic and effective manner for the sustainable development of the energy sector.
- Viet Nam is in the process of deepening multi-faceted international cooperation and integration, which also calls for the development of an energy sector that is highly integrated and adaptable.
- The HLM will serve as a forum to facilitate the participation of all relevant stakeholder groups in Viet Nam to the development of sustainable energy policies, which all parts of society can benefit from. This includes efforts to promote investment in the energy sector, expand access to modern energy services at affordable prices and to promote renewable energy and energy efficiency.
- The Vice Minister expressed his appreciation for the work carried out by the VEPG and acknowledged 40 important policy recommendations from the 5 TWGs.

- The Vice Minister also expressed his sincere gratitude for the contributions of the EU, the World Bank and all the other DPs and stakeholders active under the VEPG cooperation framework.

H.E. Bruno Angelet, Ambassador of the European Union to Viet Nam, also welcomed the participants to the HML.



H.E. Bruno Angelet delivers his welcome address

The Ambassador expressed his appreciation for the work of VEPG over the last year and honored the work of all DPs, as well as private sector and civil society stakeholders that contributed to the TWGs. He referred to the set of ambitious but realistic recommendations for comprehensive energy policy reform to be endorsed by the 2nd HLM and highlighted their role at reconciling what some may consider conflicting objectives namely: how to increase energy supply and efficiency including decentralized renewable energy generation by households and industry by solar rooftops, while at the same time keeping energy supply reliable, competitive, affordable and accessible to all, reducing pollution and avoiding waste of energy.

The EU Ambassador highlighted 3 particular aspects of the policy recommendations:

- In order to attract private sector investment, the standard Power Purchase Agreement (PPA) should be given top priority for the coming months.
- Given the rapid increase in renewable energy supply (especially residential and industrial rooftop solar energy) to the grid, net metering schemes should profit from

adapted regulation, including nation-wide standards and an updated public investment plan in Viet Nam's next energy strategy.

- The transition towards a more sustainable energy policy and a shift away from polluting to clean energy sources must be gradual and comprehensive with a focus on the right energy mix, in particular by increasing the use of gas. The transition strategy should be reflected in the new medium to long-term energy plans, including the Power Development Plan 8 (PDP 8), but also in the forthcoming new Viet Nam National Energy Efficiency Program (VNEEP3).

The VEPG should do its utmost to help the Communist Party, the Government and the National Assembly to embed these recommendations in their reflections.

The EU is very committed to help Viet Nam's transition from brown to green energy, while also ensuring access to affordable energy for all and protecting Viet Nam's competitiveness.

The EU also expressed a strong wish that the recommendations are embedded in Viet Nam's strategic policy papers and are translated in concrete policy actions.



Mr. Ousmane Dione delivers his welcome address

In his welcome address, Mr. Ousmane Dione, Country Director of the World Bank, appreciated Viet Nam's success story in developing the power sector over the last few decades with the focus on rural electrification and power sector reform.

He further highlighted two challenges for Viet Nam's energy development in the future:

- The first challenge is how to meet future energy demand while complying with the Government's objectives to reduce GHG emissions and meet its climate change targets.
- The other challenge is how to mobilize the large investment requirements to meet fast growing power demand. Private sector, both domestic and international, will need to play a more prominent role in power sector financing.

To tackle these two key challenges, the World Bank's strategic engagement in Viet Nam centers around two initiatives:

- Four activities on Energy Transition, including (1) scaling up renewables (especially wind and solar); (2) promoting natural gas and LNG; (3) increasing energy efficiency investments; and (4) promoting regional power trade should be implemented in parallel by the Government to reduce coal use for power generation.
- World Bank is supporting the Government under the Maximizing Finance for Development (MFD) initiative to bring in more private and commercial financing for the energy sector. Three key pillars need to be tackled to mobilize more private and commercial finance in the power sector:
 - developing and launching a competitive IPP program as part of developing PDP 8 with a contractual framework that attracts both international and domestic investment at scale;
 - preparing electricity and gas SOEs to access commercial finance through credit ratings and non-sovereign bond issuance; and
 - supporting banking and capital market reforms to improve availability of local currency finance, which is critical for both project and corporate finance for energy investment projects.

The World Bank stands ready to support the Government on the Energy Transition and Maximizing Finance for Development agenda and coordinate with the VEPG on key policy engagements.

The full welcome addresses of the VEPG Chair and Co-Chairs can be found in Annex II.

4. VEPG TECHNICAL WORKING GROUPS – BUILDING OF THE VEPG ENERGY HOUSE

Following the opening remarks from the Chair and Co-Chairs of the VEPG, the Master of Ceremony proceeded to initiate the official and symbolic presentation act of the policy recommendations prepared by the VEPG's five (5) Technical Working Groups (TWGs) on Renewable Energy, Energy Efficiency, Energy Sector Reform, Energy Access and Energy Data and Statistics (the policy recommendations papers can be downloaded [here](#)).

The MC emphasized that the recommendations of the 5 TWG are building blocks for driving energy sector development in Viet Nam and invited the TWG Chairs and Co-Chairs to join hands and build a VEPG energy house.

One by one, the Chair and Co-Chair of each TWG (see Annex III) were called onto the stage by the MC. While the MC presented each TWG and their respective key recommendations were displayed on the background screens, the TWG Chair and Co-Chair placed a 3D building block representing their TWG onto the stage. Together these building blocks formed a house, which represents the VEPG and the Vietnamese energy sector as such.



Once all the building blocks had been placed on the stage, the MC underlined that for the house to be complete it required a roof: the endorsement of the TWG's work by the Chair and Co-Chairs of the VEPG. He proceeded to invite one (Co-)Chair of each TWG to join to panel to provide more detailed information about each TWG's work to facilitate the endorsement of the policy recommendations.

5. HIGHLIGHTS OF THE TWG PANEL



TWG Panel moderated by the VEPG Secretariat

After the symbolic presentation of the TWG policy recommendations and the building of the Energy House by the Chairs and Co-Chairs of the TWGs, the panel discussion highlighted key topics of the work and main recommendations of the TWGs. Rainer Brohm, International Coordinator of the VEPG Secretariat, called one representative of each TWG to the stage and facilitated the discussion as the moderator.

The panel discussion can be summarized as follows:

- **Mr. Nguyen Ninh Hải**, Director of the New and Renewable Energy Division of EREA/MoIT first of all stressed the great opportunities for renewable energy in Viet Nam: (i) Viet Nam has high potential for renewable energy, such as wind and solar power; (ii) The rapid change in technology has helped to increase the efficiency of renewable energy equipment, and the costs have rapidly decreased to a level which is

suitable for the development of Viet Nam's economy; (iii) The Government of Viet Nam has prioritized the use of renewable energy from 2011 to present and last but not least, (iv) the support from development partners such as the EU, the World Bank, the Asian Development Bank, as well as other international organizations and other countries' governments has helped to develop the policy framework, as well as capacity building over the past years.

However, he also highlighted key challenges for renewable energy development that Viet Nam currently faces: (i) the high concentration of RE capacity development and investment planning in a number of high potential provinces; (ii) the challenges of operating and regulating a renewable energy based power system, e.g. with regard to costs for power backup systems; and (iii) the large land areas required for the development of renewable energy projects, leading to difficulties in land clearance investment progress.

For the future development and referring to the key topics and recommendations discussed in TWG 1 on renewable energy, Mr. Hải highlighted mainly four aspects:

- Regarding the solar rooftop support mechanism, the revision of the Prime Minister's Decision 11/2017 to address some challenges in implementing the mechanism for solar rooftop is underway and in the process of consultation among relevant line ministries and agencies before submitting to the Government.
 - For wind energy, the Prime Minister's Decision 39/2018, revising Decision 37 on the wind energy feed-in-tariff (FiT), was published in September 2018 with an increased FiT price for off-shore and on-shore wind projects. MoIT is currently drafting a Circular to revise Circular 32 on regulating the development of wind energy and the PPA.
 - Currently, MoIT is collaborating with GIZ to conduct a research to review the next phase of the Solar FiT to be introduced after June 2019 and will present the outcome of the research at a workshop on 28 November 2018 at Hilton Hotel.
 - MoIT is also collaborating with the World Bank in researching a bidding/auctioning mechanism not only for solar energy but also for renewable energy projects in general.
- **Mr. Trịnh Quốc Vũ**, Deputy Director General of the Department of Energy Efficiency and Sustainable Development of MoIT, responded to the question about new elements of the VNEEP3 that was at the core of discussions in TWG 2 on Energy Efficiency. He stressed three new elements and innovations compared to the last programme that covered the period 2006 to 2015:
 - VNEEP3 focuses on reviewing, developing and improving mechanisms and policies on energy efficiency and conservation to comprehensively promote energy efficiency in every aspect of the society.

- VNEEP3 also aims at developing the energy database, enhancing IT applications in energy efficiency; scientific research, development and application of advanced technologies.
- VNEEP3 proposes a pilot project on establishing the Energy Efficiency Promotion Fund to provide financial incentives for the implementation of energy efficiency solutions.

Mr. Vũ further stressed the need for continuous support from DPs in collaboration with the government with regards of the implementation of VNEEP3. He highlighted the following activities in this context:

- There is a need to focus financial sources for investments on energy efficiency solutions, equipment upgrading and refurbishment, supporting technology transfer and applying advanced technologies for production, consumption and service fields. Furthermore, support is needed to implement the Private Public Partnership (PPP) model to promote energy efficiency in the private sector.
 - Resources need to be optimized by developing a matrix of priority cooperation projects. This will help to avoid activity overlap between different donors.
 - A multilateral cooperation mechanism among different DPs could help to better utilize the limited resources. If co-financing and joint cooperation mechanisms are established, it would ensure the focus of resources for large and critical projects in the energy efficiency sector.
- **Mr. Franz Gerner**, Lead Energy Economist of the World Bank in Viet Nam, presented key topics and discussions of TWG 3 on Energy Sector Reform. He referred to the successful developments in the past, when Viet Nam implemented the first roadmap for power sector restructuring. These efforts focused on 3 goals: (i) moving away from the centrally planned vertically integrated monopoly with EVN as a dominant player; (ii) introducing fair competition and increasing efficiency and transparency of the power sector to ensure long-term affordable, reliable and secure power supply and (iii) attracting private investment. The format changes for each reform step are as follows: the competitive power generation market, the wholesale electricity market and finally the retail electricity market.

From the World Bank's perspective, Mr. Gerner further outlined, the first step of the format change (the competitive power generation market) has been very successful with about 90% of generation companies participating in the market. In parallel, the government has also conducted the restructuring of the utility EVN. The role of private investors in providing storage generation capacity and investment is increasing.

Regarding the second stage of the current reform roadmap, which is the implementation of the wholesale electricity market, Mr. Gerner highlighted three challenges that need to be addressed for the transparent and efficient functioning of the market:

- There is a need for cross-subsidies between urban and rural distribution companies. A fund for that purpose would ensure the overall socio-economic benefit of a uniform tariff but would also work in a competitive power market.
- High investments are needed to connect the last 1-2% of households (high-cost connections) without access to electricity to the grid. A transparent mechanism, which is separate from state subsidy, is needed to determine the cost for supplying those rural and island households.
- A transparent and efficient wholesale electricity market requires third-party access to the distribution and transmission network. Such a third-party access regime is important in the discussion of the DirectPPA model. The critical missing piece is the calculation methodology of the network charge.
- **Mr. Koen Duchateau**, Head of Cooperation of the EU Delegation to Viet Nam presented key topics and discussions of TWG 4 on Energy Access. He outlined the three main topics of the working group, the provision of energy access to the last 1% of unconnected households, the development of off-grid solutions as part of this rural electrification strategy and the further development of rural biogas solutions for cooking.

Addressing the key challenges related to these topics and policy targets, he pointed out three major tasks:

The costs to provide energy access to the last 1-2% of households are high, this is not unusual since “the last mile” is always the most difficult and most cost-intensive. However, it is a crucial task and necessary for the development of these regions and for poverty alleviation. TWG 4 on energy access is looking into financing needs to address this “last mile” specifically.

TWG 4 also examines possible off-grid solutions, such as individual stand-alone solar-home-systems for situations where energy demand is limited, mini-grid systems as community solutions, or hybrid systems which combine existing diesel generators with renewable energy solutions as “fuel-savers” or different renewable energy technologies and storage.

- The working group also looks at clean energy solutions for cooking. Wood or fossil fuel fired cookstoves are not only problematic for their CO₂ emission, in fact they are a major health threat to people due to hazardous indoor smoke emissions. The rural biogas fired clean cookstove solutions represent an option to improve air quality, which will mainly benefit women in rural households.

Furthermore, Mr. Duchateau stressed that off-grid solutions, such as individual solar-home-systems, mini-grids or hybrid systems, can be economically feasible, but they need to be affordable for poor households. A mix of public and private financing, and/or public-private partnerships could help to mobilize the initial investment costs for these systems, as well as to secure operation and maintenance of these systems. Innovative financing solutions for low-income households or communities could further help to overcome these challenges.

- **Mr. Jakob Stenby Lundsager**, Long-Term Advisor of the Danish Energy Partnership Programme (DEPP) in Viet Nam outlined key topics and discussions of TWG 5 on Energy Data & Statistics.

According to Mr. Lundsager, data and statistics are the key to energy system development and energy policy development. The set-up and implementation of the Viet Nam Energy Information System (VEIS) can support energy decision makers with high-quality data to address the challenges of an ever more complex energy system.

He stressed that the TWG 5 and the VEPG in general can support energy planning challenges, especially on the Power Development Planning (PDP 8) process by providing a forum for the discussion of important topics and for the coordination of on-going activities, ensuring an effective and successful contribution to the new PDP 8.

TWG 5 specifically focused on the question on how support activities could be developed in the short-term. While the VEIS is a long-term project, there are short-term measures that aim at quickly improving the data situation in the country's energy sector. First and foremost, the VEIS roadmap needs to be approved by the MoIT.

He highlighted further recommendations for collaboration between the government and the development partners that were developed in the working group:

- DPs should assist MoIT with expert support for the development of the legal framework so that once the roadmap for VEIS is approved, it can be quickly implemented.
- EREA should appoint a “project manager”, who is responsible for the VEIS, and an “inception team”, which consists of members of all core VEIS agencies in order to start up the process and the Viet Nam Energy Information Centre as soon as possible.
- The exchange of data and compilation of energy data between the different on-going projects, stakeholders and institutions should start before the VEIS is in place.

6. OFFICIAL ENDORSEMENT OF THE TWG RECOMMENDATIONS

After hearing the panelists inputs, the MC invited the Vice Minister H.E. Đặng Hoàng An to join the stage. The Vice Minister thanked the TWG Chair and Co-Chairs for the hard work over the last year and for the detailed presentation of the policy recommendations. He further stated that the TWG policy recommendations are “very relevant and useful to support the ongoing policy dialogue within Viet Nam's energy sector” and confirmed – also in the name of Co-Chairs Mr. Angelet and Mr. Dione – the endorsement of the recommendations and their commitment to carrying them forward and making sure they are integrated into ongoing energy policy and energy planning processes.

As a symbol of the official endorsement of the policy recommendation, Vice Minister Đặng Hoàng An invited H.E. Angelet and Mr. Dione to the stage and jointly they placed the roof on the VEPG Energy House.



Vice Minister Đặng Hoàng An, Ambassador Bruno Angelet, and Mr. Ousmane Dione together put the roof on the VEPG Energy House



Joining hands for a Sustainable Energy Future in Viet Nam

7. HIGHLIGHTS - BEST PRACTICES FROM THE VIET NAM ENERGY SECTOR

After the official part of the HLM, selected speakers were invited to present best practice projects from Viet Nam that represent first successful efforts in reaching the energy policy and market development goals within the sector and that reflect the TWG Policy Recommendations endorsed by the VEPG.



Mr. Ngô Trường Thành presented the Phong Điền Solar Plant

For **Renewable Energy**, Mr. Ngô Trường Thành, Deputy Head of Solar Energy Division at Thành Thành Công (TTC) Group presented the Phong Điền Solar Power Plant as a best practice project. This was the first solar power plant in Viet Nam to connect to the national grid with a total output of 60 million kWh per year. Located 50km from the city of Hue, the plant enjoys many advantages in terms of location, including short distance from the national transmission lines, as well as its close proximity to National Highway 49B and Chan May and Da Nang sea ports. Because of the success of the first phase, phase 2 of the Phong Dien project is already in development and is planned to begin construction in Q3/2019 and to be operationalized in Q2/2020. The TTC Group, with many other RE projects in the pipeline, is a success story for other domestic and international private investors to follow.



Mr. Matt Wilson presented the ESCO model at Heineken Viet Nam

For **Energy Efficiency**, Mr. Matt Wilson, Director Corporate Affairs at Heineken presented the company's Energy Service Company (ESCO) model as a best practice for increasing private sector investments in Viet Nam. Heineken Viet Nam, with its "circular economy model" and the aim to reduce emissions and to reach 100% brew by renewable energy, has implemented the ESCO model in most of their breweries. The company is using thermal energy from biomass, namely rice husk to run Heineken breweries in Viet Nam. The model does not only bring job opportunities for people, reduce CO₂ emissions but also saves costs for the company. However, Mr. Wilson also highlighted that in order to have an effective ESCO model, it requires the right partners, as well as trust from both sides for long-term partnerships. The source of biomass also needs to be sustainable, e.g. an agricultural bi-product such as rice husk. Above all, understanding the benefits of the model will allow everyone to implement it correctly. Mr. Wilson highlighted the need for a DirectPPA model, which would allow Heineken, along with other companies, to implement an ESCO model concept also for electricity supply in the future and to become more sustainable.



Ms. Nguyễn Thị Khanh presented GreenID's Off Grid Solution for rural electrification

For **Energy Access**, Ms. Nguyễn Thị Khanh, Executive Director of GreenID Viet Nam presented best practice off-grid solutions for rural electrification. Off-grid solutions including mini-grid systems and home solar systems were presented as solutions for supplying the last 1% of unconnected households in Viet Nam using a Local Energy Planning approach. However, addressing this “last mile” in rural electrification faces several challenges, including the lack of financial mechanisms for local solutions, the lack of local capacities for operation and maintenance of RE solutions, as well as the lack of understanding and information about the advantages of renewables in general. Ms. Khanh recommended that financial support, appropriate policies to mobilize multi-stakeholder participation, and awareness raising and local capacity building measures for RE solutions should be prioritized to reach the last mile in rural electrification.

The Best Practice presentations and videos can be downloaded from the [VEPG website](#).

8. MAIN OUTCOMES AND OUTLOOK

The main outcomes of the VEPG HLM 2018 can be summarised as follows:

- The TWG's policy recommendations were well-received and officially endorsed by the Chair and Co-Chairs of the VEPG.
- The VEPG Chair and Co-Chairs requested the TWG Chairs and Co-Chairs to closely and continuously monitor the implementation of the recommendations during their meetings in the coming 12 months and to report progress to the VEPG Steering Committee and at the next HLM in 2019.
- The VEPG Chair and Co-Chairs also requested the VEPG Secretariat to follow-up on the policy recommendations and collect corresponding information from the TWGs and elaborate a consolidated progress report to be circulated at the HLM in 2019.

9. PRESS CONFERENCE AND MEDIA HIGHLIGHTS



Press conference at the HLM

The press conference was chaired by H.E. Đặng Hoàng An, Vice Minister of MoIT, H.E. Bruno Angelet, the Ambassador of the European Union to Viet Nam and Mr. Ousmane Dione, World Bank Viet Nam Country Director.

The press conference attracted the attendance of 40 journalists, among them were some of the most prestigious national news agencies including VTV1, Hanoi TV, VITV and National Assembly Television. The HLM and the endorsement of the policy recommendations were featured in national news on the VTV1 at 19:00 (prime time) as well as 19 international and domestic news agencies.

The journalists expressed their high interest in the energy sector and the work of the VEPG and put forth questions for the chair and co-chairs.

- Addressing media questions on private investment mobilization in the energy sector, MoIT Vice Minister emphasized the need to diversify investment sources and to control the energy demand by promoting energy efficiency.
- The World Bank Country Director shared the view of the Vice Minister that investment diversification is important. Mr. Dione also stressed that the private sector and commercial financing will contribute the most to the development of the energy sector. It is therefore necessary to ensure that strategic prioritization of investments is made, taking into account the efficient use of resources.
- Addressing the question about the pricing of renewable energy in Europe and related recommendations for Viet Nam, H.E. Bruno Angelet indicated that the pricing is not a major issue in the local context but rather the current Power Purchase Agreement (PPA), thus, appropriate policy should be developed to address the legal uncertainties for investors. The Ambassador of the EU also noted that a gradual reduction of the Feed-in-Tariff (FiT) and eventual introduction of auctioning mechanisms will also encourage the market. In addition, Viet Nam should encourage rooftop solar solutions not only for commercial application but also for households, which could include a net metering scheme.
- Regarding dependency on energy from coal, Vice Minister Đặng Hoàng An highlighted that Viet Nam needs to optimize its energy mix in order to meet energy demand and national energy security, also taking into account environment protection. Viet Nam is the leading member state in ASEAN with a comparatively high portion of energy supply from renewable sources. However, the shift from traditional energy sources to clean energy cannot occur immediately.
- The Ambassador of the EU agreed with the Vice Minister that the energy transition in Viet Nam cannot happen in a day or two, however, Viet Nam should develop an energy strategy, which is realistically calibrated but also ambitious. The Ambassador also affirmed that renewable energy is not limited to developed nations, and that Viet Nam has the capacity and the potentials to develop renewable energy. In addition, coal is more expensive than renewables if externalities such as subsidies, infrastructure costs, health costs, and the costs of pollution are included. While the dependency on coal cannot be addressed rapidly, the transition to renewable energy can be started and accelerated.
- Mr. Ousmane Dione shared the general view that there is no quick fix for the coal question. However, he proposed that Viet Nam develop targeted and aggressive policies to reduce its dependency on coal. The World Bank is supporting MoIT in five elements: the promotion of energy efficiency at industrial, commercial, and residential levels, the scale-up of renewables including solar rooftop, the promotion of the use of natural gas, regional energy trading, and power sector reform.

- Mr. Dione suggested a regulatory framework that incentivizes private sector participation and a transparent bidding process. In that respect, the establishment of the energy wholesale market by 2020 will be crucial.
- Vice Minister Đặng Hoàng An also added that the overarching policy of the government and MoIT is to encourage the development of renewable energy. MoIT is currently working on reviewing national power planning to address local grid connection issues for the private sector.

The press release can be found in Annex V. The Clipping report can be found in Annex VI.

ANNEX I – AGENDA OF THE 2ND VEPG HLM 2018



Joining Hands for a Sustainable Energy Future in Viet Nam

2nd HIGH-LEVEL MEETING OF THE VIET NAM ENERGY PARTNERSHIP GROUP (VEPG)

26 November 2018 / Thang Long Ballroom - Hotel Meliá Hanoi

Agenda

13:00-14:00 Registration

14:00-14:10 Opening of the HLM

*Opening by the Masters of Ceremony (MC) - Mr. Quách Quang Đông, EREA Office
Traditional Violin Performance by Ms. Thùy Anh*

14:10-14:40 Welcome Addresses by the VEPG Chair and Co-Chairs

*H.E. Đặng Hoàng An, Vice Minister of Industry and Trade (MoIT)
H.E. Bruno Angelet, Ambassador of the European Union to Viet Nam
Mr. Ousmane Dione, Country Director of The World Bank*

14:40-14:55 VEPG Technical Working Groups – Building the VEPG Energy House

*Official Introduction of the TWGs and Key Messages by the MC
Joint Building of the VEPG Energy House by the TWG Chairs and Co-Chairs*

14:55-15:05 Key Note Address by the General Director of EREA / MoIT

Mr. Phương Hoàng Kim, Director General, Electricity and Renewable Energy Authority (EREA), MoIT

15:05-15:45 Policy Recommendations Panel with Chairs/Co-Chairs of the TGWs

Moderation: Rainer Brohm, VEPG Secretariat

-  *TWG1: Mr. Nguyễn Ninh Hải, Director of New and Renewable Energy Division, MoIT*
-  *TWG 2: Mr. Trịnh Quốc Vũ, Deputy Director General, Department of Energy Efficiency and Sustainable Development, MoIT*
-  *TWG 3: Mr. Franz Gerner, Lead Energy Economist, World Bank Viet Nam*
-  *TWG 4: Mr. Koen Duchateau, Head of Cooperation, Delegation of the European Union to Viet Nam*
-  *TWG 5: Mr. Jakob Stenby Lundsager, Long-Term Advisor, Danish Energy Partnership Programme in Viet Nam*

15:45-15:50 Official Endorsement of Recommendations – VEPG Chair / Co-Chairs

15:50-16:00 Symbolic Completion of the VEPG Energy House and Group Pictures

16:00-16:30 Tea / Networking Break

Closed VEPG Press Conference to take place in Function Room 7 (2nd Floor)

16:30-17:15 Best Practice Examples from the Vietnamese Energy Sector

Presentations of Best Practice Examples in 3 of the 5 Key Working Areas of the VEPG

- 1. Renewable Energy: TTC Phong Điền Solar Park – Mr. Ngô Trường Thành, Deputy Head, Solar Energy Division, TTC Corporation*
- 2. Energy Efficiency: Heineken ESCO Model – Mr. Matt Wilson, Director Corporate Affairs*
- 3. Energy Access: GreenID Solutions for Off-Grid Areas – Ms. Nguyễn Thị Khanh, Executive Director*

17:15-17:30 Closing Session

17:30-20:00 Evening Reception

We cordially invite our honorable guests to join us for an aperitif at the terrace in front of the Thang Long Ballroom.

ANNEX II – WELCOME ADDRESSES

Welcome address by H.E. Đặng Hoàng An

Your Excellency, Ambassador Bruno Angelet, Head of the Delegation of the European Union to Viet Nam,

Mr. Ousmane Dione, Country Director of the World Bank Viet Nam,

Excellencies, Ambassadors, Representatives of the diplomatic missions and development organizations and agencies in Viet Nam

Distinguished guests, dear friends, ladies and gentlemen,

As we all know, June 2017 marked the inauguration of the Viet Nam Energy Partnership Group (VEPG) with its first High-Level Meeting in Hanoi. The event brought together more than 150 domestic and international representatives and established a mobilization and coordination framework to support the Government of Viet Nam in its efforts to further develop the energy sector. Firstly, on behalf of the Ministry of Industry and Trade of Viet Nam, I would like to warmly welcome all of you to our important meeting today – the Second High-Level meeting of the VEPG.

Excellencies, Ladies and gentlemen,

In implementing the United Nations Framework Convention on Climate Change as well as the Paris Agreement, Viet Nam has been actively engaging in international cooperation to jointly mitigate the effects global climate change and protect the environment. In the spirit of the Convention, the Parties have the rights and obligation to promote sustainable development. On the other hand, the policies and measures that were utilized to protect the environment and respond to anthropogenic climate change must be in sync with the specific conditions of each Party and shall be incorporated into national development programs, taking into account that economic development is essential, and that cooperation and assistance are necessary. In the process of expansion and strengthening of cooperation and mobilization of international assistance for development, Viet Nam should develop a mechanism and framework to integrate and coordinate official development assistance (ODA) and national mechanisms and policies in a holistic and effective manner and enhance coordination and dialogue in the efficient use of ODA for the sustainable development of the energy sector.

Following the First High-Level Meeting, our event today aims to discuss and provide policy recommendations to promote the development of sustainable energy development based the context and potential of the country, while meeting the requirements and targets of energy growth set by the Government of Viet Nam for the country's socio-economic development. Viet Nam is in the process of deepening multi-faceted international cooperation and integration, which also calls for the development of an energy sector under the market mechanism that is highly integrated and adaptable. In order to meet that requirement, Viet Nam should effectively promote the combination of internal and external resources, in which internal factors act as the key factor.

In the current context, our Meeting should discuss and identify the challenges and opportunities for Viet Nam's energy sector, provide recommendations and solutions as the basis for programs and action plans to promote the development of energy sector. However, in the process of promoting investment in the development of the energy sector, we need to carefully study and consider the international context and trends and the practical requirements and potentials in the country to create development plan for the energy sector, which is appropriate, feasible, strategic, sustainable and at the same time, ground-breaking. In this respect, I would like to point out that, in parallel with significant and meaningful financial support from international partners, we also highlight the importance and urgency of research and cooperation in developing technology, as well as public awareness raising to reform the energy sector in width and in depth.

Excellencies, Ladies and Gentlemen,

I hope this Meeting will be a forum that will facilitate the participation of all social groups in the society, all walks of life so that they can benefit from sustainable energy policies. This includes efforts to promote investment in the energy sector, expanding access to modern energy services at affordable prices, promoting renewable energy and energy efficiency. Viet Nam's energy policy needs take into account the vulnerable social groups and the gap between the rich and the poor so as to develop and implement innovative and creative solutions.

The VEPG is currently operated based on the activities of the Steering Committee and 05 thematic Technical Working Groups. The Steering Committee and TWGs have been active in discussing and consolidating action plans and proposing energy policy recommendations. Until now, we are pleased to recognize 40 important policy recommendations proposed by the Technical Working Groups, which represent nearly 30 Vietnamese Government agencies, organizations and international partners, with the content mainly focuses on 05 key thematic areas: renewable energy, energy efficiency, energy sector reform, energy access and energy data - statistics. The broad and active participation of the Parties in the VEPG demonstrates the right direction and approach, at the same time emphasizes our vital role in continuing to affirm the cohesion and effectiveness of this cooperation framework in accordance with previously set expectations our goals.

Excellencies, Ladies and Gentlemen,

I would like to express my appreciation for your comments and recommendations at today Meeting contributing towards policy formulation for the sustainable development of Viet Nam's energy sector, meeting the requirements of socio-economic development and national strategic objectives.

On this occasion, I would like to express my sincere gratitude to the Ambassadors, Representatives, officers and staff of the Embassies, Diplomatic Missions; representatives of development agencies, international financial institutions in Viet Nam, representatives of government agencies, research organizations, social organizations and the private sector who have accompanied and actively contributed to our VEPG framework.

I would like to express my gratitude and appreciation to HE Ambassador Bruno Angelet, Head of the Delegation of the European Union to Viet Nam, and Mr. Ousmane Dione, Country Director of the World Bank Viet Nam who have contributed a huge effort, as well as had close and effective cooperation with me; I also want to send my sincere thanks to the Steering Committee, all the chairs and co-chairs of the 05 TWG and the VEPG Secretariat for monitoring and supporting VEPG's effective and efficient operation since its inception.

I also would like to thank the representatives of agencies and media organizations for their participation at this Meeting.

Wishing you all good health and happiness.

May our event be a great success!

Thank you very much

Welcome address by H.E. Bruno Angelet

Excellency Minister Tran Tuan Anh,

Mr. Ousmane Dione, Country Director of the World Bank

Dear colleagues Ambassadors

Dear friends

A little more than one year ago, in June 2017, we gathered in this same room to launch the Viet Nam Energy Partnership Group.

I stated that our ambition was to help Viet Nam in developing a sustainable energy policy for the future and that the VEPG should become the best partnership forum in town, by a result-oriented approach aiming at rapidly presenting policy recommendations for the Government.

Minister Tran Tuan Anh also asked for our support in accelerating Viet Nam's Energy Transition.

Today, I dare say we delivered.

5 Working Groups were established to zoom into key policy areas: renewable energy, energy efficiency, reform of the Energy Sector, access to Energy, and energy data and statistics and setting up the Viet Nam Energy Information System.

In 1 year time, thanks to the intense efforts of the co-Chairs from the Ministry of Industry and Trade and from the development partners, in particular the UNDP, World Bank, Germany, Denmark and the EU, and with input from all stakeholders including the private sector and civil society, we have come to a set of comprehensive policy recommendations that we endorse here today.

Our recommendations focus on Viet Nam's energy transition and reconcile what some may consider conflicting objectives namely: how to increase energy supply and efficiency, also involving decentralized renewable energy generation by households and industry by solar rooftops, while keeping energy supply reliable, competitive, affordable and accessible to all, and reducing pollution and energy wastage.

Our recommendations are realistic, and calibrated: they are our best offer for Viet Nam.

If implemented, they would allow Viet Nam to become rapidly one of the most dynamic energy markets in South East Asia, reconciling social justice and market efficiency. Let me highlight 3 particular points that are included in our recommendations: 1) the role of private sector investment and 2) the enormous potential of residential and industrial solar rooftops and 3) the need for a transitional strategy and the right energy mix.

First, over the last 2 years, since the Feed-In tariffs have been introduced for solar PV and increased for wind, we witnessed a surge in interest from foreign and domestic investors to such a point, that they could even accept a gradual lowering of feed-in-tariffs. However, they

still have not massively invested yet as the standard PPA lacks legal security. This topic should now be the top priority for the coming months.

Second: residential and industrial rooftop solar energy can rapidly increase renewable energy supply into the grid. Net metering schemes should profit from adapted regulation including nation-wide standards.

But the additional capacity of Renewables as mentioned under point 1 and 2 also implies an updated public investment plan to ensure the grid can absorb in this additional supply. This should be well integrated in Viet Nam's next energy strategy. It will also have to take into account its commitments to the Paris Agreement and how to radically reduce CO2 emissions.

Third, Viet Nam's energy transition will also have to take into account the fact that the National Assembly has dropped the option of nuclear energy in Viet Nam's long-term planning whereas Viet Nam's demand for power will also triple by 2030. Thus, it is clear that renewables need to play an important role in the energy mix.

The transition towards a more sustainable energy policy and a shift away from polluting to clean energy sources must be gradual and comprehensive. It must include a shift of subsidies away from the most polluting energy sources to cleaner energy sources, while also increasing carbon taxes not only on fuel but also on coal.

But it must also focus on the right energy mix for Viet Nam, in particular by increasing inclusion of the use of gas. Gas pollutes too, but substantially less than coal. Moving out of coal over time can only happen step by step and can probably not entirely be compensated by renewables. Studies indicate that a good mix of renewables and gas has the potential to reduce up to 50% of CO2 emissions.

The new Medium to Long-term Energy Plans, including PDP 8 but also the forthcoming new Viet Nam National Energy efficiency program (VNEEP3), will have to design a strategy for transition that is indeed gradual and realistic but also comprehensive.

Those are just some of the points that are included in our policy recommendations. We hope they will find the right way towards Viet Nam's imminent strategic policy papers. The VEPG should do its utmost to help the Party, the Government and the National Assembly to embed our recommendations in their reflections.

The EU is very committed to help Viet Nam's transition from brown to green energy, while also ensuring access to affordable energy for all and protecting Viet Nam's competitiveness.

As already said, we are extremely proud that the Viet Nam Energy Partnership Group could deliver, just within 1 year, recommendations for comprehensive policy reform. They are the result of intense consultations with the Government, the private sector, academia and civil society. Let me stress our strong wish is that our recommendations will be embedded in Viet Nam's strategic policy papers and will be translated in concrete policy actions.



Let me once again thank the Minister for his commitment and his Ministry for its intense efforts. We will continue to do the utmost to help Viet Nam on the way to a sustainable energy policy for the best of its people and as it is as much in our own interest.

Thank you

Welcome address by Mr. Ousmane Dione

Excellency, Mr. Tran Tuan Anh, Minister of Industry and Trade

Excellency, Mr. Bruno Angelet, head of EU Delegation to VN

Government officials, Ambassadors, Development Partners, Ladies and Gentlemen:

I am honored to participate to the 2nd High Level Meeting of the Viet Nam Energy Partnership Group on the sustainable energy future for Viet Nam.

Viet Nam has been a global success story in developing the power sector over the last few decades. The success of the power sector has been a key contributor to Viet Nam's socio-economic development and the country's high and sustained economic growth, excellent performance in terms of poverty reduction and well-being of its citizens. Two areas need to be highlighted on the success story, one is on rural electrification and the other on power sector reform.

On **rural electrification**, Viet Nam's access rate increased from 14 percent in 1993 to over 99 percent in 2018. Over that 25-year period, more than 14 million households or 60 million people have been connected to the grid. What an achievement.

Needless to say, the financing requirements of the sector have been huge. Only since 2010, the sector invested about US\$80 billion in generation, transmission and distribution and between now to 2030 another US\$150 billion needs to be raised. Electricity consumption remains comparatively low in international standards. For example, per capita electricity consumption is currently about 1,700-kilowatt hour a year - which is one third of China or one fifth of Australia. As the economy continues to grow strongly and as the Vietnamese become more affluent, electricity demand will continue to grow at about 8 percent per year for the next decade.

Electricity tariffs remain below full cost recovery levels and EVN does not receive direct subsidies from the Government. Hence, let me stress that EVN and the sector have been highly effective and efficient using ODA funds. Of course, this was only possible because of the leadership, dedication and technical capabilities of MOIT and EVN management and all its staff.

On **power sector reform**, about a decade ago the Government set out a clear roadmap for implementing competition and restructuring the sector. The motivation was to move from a vertically integrated monopolistic market structure to a fully competitive power market. The Government needs to be complemented to continue to be fully committed to introduce a competitive power market. We are half way through implementation and by 2020 the wholesale electricity market will be fully operational. Experience with market liberalization have been positive to date contributing to a well-run power sector public utility EVN, which is technically and operationally sound, but also allowing private sector participation in generation.

I believe I can speak on behalf of all the development partner community here today that we have been privileged to contribute to that success story. International finance institutions and

bilateral donors have provided technical assistance and financing over the last two decades to support the Government on the rural electrification agenda, upgrade and expand vital transmission and distribution networks, develop public and private power generation projects and support the electricity and gas sector reform and restructuring agenda.

The challenge is the future and the energy sector cannot rest on past achievements. It is widely known that the challenges the power sector needs to overcome over the next two decades are substantial to ensure it achieves its goals to provide sustainable, clean, affordable and reliable power supply to the people of Viet Nam.

One key question is how to meet future energy demand, while also complying with Government's objectives to reduce GHG emissions and meet its climate change targets. That of course refers to the contentious issue on the role of coal in the future energy mix.

Another challenge is how to mobilize the large investment requirements, estimated at around US\$8 billion annually to meet fast growing power demand. EVN and the public sector cannot raise those funds and private sector, both domestic and international, will need to play a more prominent role in power sector financing.

To tackle those two key challenges, the World Bank's strategic energy engagement in Viet Nam centers around two initiatives.

First, on the Energy Transition - we support the Government to identify and implement technically, financially and socially sound solutions to reduce the future use of coal, primarily for power generation. While there are no quick fixes or a silver bullet to tackle the coal challenge, we believe there are four central activities that need to be implemented in parallel by the Government to reduce coal update for power generation:

- scaling up renewables (especially wind and solar);
- promoting natural gas and LNG;
- increasing energy efficiency investments; and
- promoting regional power trade, especially with Laos and Southern China.

Second, the public sector and ODA financing will not be sufficient to meet the power sector's huge investment requirements. Hence, under the Bank's **Maximizing Finance for Development (MFD) Initiative** we are supporting the Government to find and implement solutions to bring in more private and commercial financing for the energy sector. This MFD initiative is particularly relevant in the context of Viet Nam's recent IDA graduation and sovereign borrowing constraints due to the Government's debt ceiling policy. Three key pillars need to be tackled to mobilize more private and commercial finance in the power sector:

- developing and launching a competitive IPP program in power generation as part of developing Power Sector Development Plan 8 with a contractual framework that attracts both international and domestic investment at scale;
- preparing electricity and gas SOEs to access commercial finance through credit ratings and non-sovereign bond issuance; and

- supporting banking and capital market reforms to improve availability of local currency finance which is critical for both project and corporate finance for energy investment projects.

We stand ready to support the Government on the Energy Transition and Maximizing Finance for Development agenda and coordinate with the VEPG on key policy engagements.

Let me conclude by thanking again Minister Tuan Anh for his strong commitment and leadership to work with all development partners in the spirit of cooperation and partnership to achieve Viet Nam's energy sector objectives.

ANNEX III – VEPG CHAIR AND CO-CHAIRS AND TWG CHAIRS AND CO-CHAIRS

VEPG



Mr. Trần Tuấn Anh
Minister of Industry and Trade (MoIT)

Chair



Mr. Bruno Angelet
Ambassador of the European Union to Viet Nam

Co-Chair



Mr. Ousmane Dione
Country Director, World Bank in Viet Nam

Co-Chair

TWG 1 – RENEWABLE ENERGY



Mr. Nguyen Ninh Hai
Director of New and Renewable Energy Division,
Electricity and Renewable Energy Authority, MoIT

Chair



Mr. Martin Hoppe
First Counsellor, Economic Cooperation and
Development, German Embassy in Viet Nam

Co-Chair

TWG 2 – ENERGY EFFICIENCY



Mr. Trinh Quoc Vu
Deputy Director General of Department of Energy
Efficiency and Sustainable Development, MoIT

Chair



Ms. Akiko Fujii
Deputy Country Director, UNDP

Co-Chair

TWG 3 – ENERGY SECTOR REFORM



Mr. Pham Quang Huy
Deputy Director General of Electricity Regulatory
Authority of Viet Nam, MoIT

Chair



Mr. Franz Gerner
Lead Energy Economist, The World Bank in Viet Nam

Co-Chair

TWG 4 – ENERGY ACCESS



Mr. Nguyen Duy Hoa

Director of Rural Electricity and Power Grid Division,
Electricity and Renewable Energy Authority, MoIT

Chair



Mr. Koen Duchateau

Head of Cooperation, Delegation of the European
Union to Viet Nam

Co-Chair

TWG 5 – ENERGY DATA & STATISTICS



Mr. Nguyen Tuan Anh

Director of Planning Division, Electricity and
Renewable Energy Authority; MoIT

Chair



Mr. Jakob Stenby Lundsager

Long Term Adviser, Danish Energy Partnership
Programme in Viet Nam (DEPP)

Co-Chair

ANNEX IV – TWG POLICY RECOMMENDATIONS AND BEST PRACTICE PRESENTATIONS

The TWG Policy Recommendation Papers have been compiled into a publication, which can be downloaded by following this [link](#).

All Best Practice presentations can be downloaded from the [VEPG Website](#).

ANNEX V – PRESS RELEASE OF THE 2ND VEPG HIGH-LEVEL MEETING

PRESS RELEASE

2nd High-Level Meeting of The Viet Nam Energy Partnership Group

Joining Hands for a Sustainable Energy Future in Viet Nam

Hanoi, 26 November 2018: The Viet Nam Energy Partnership Group (VEPG) holds its Second High-Level Meeting (HLM) on 26 November 2018 in Hanoi. The HLM is co-chaired by H.E. Đặng Hoàng An - Vice Minister of Industry and Trade (MoIT), H.E. Bruno Angelet – Ambassador of the European Union to Viet Nam and Mr. Ousmane Dione - Country Director of the World Bank. The HLM gathers over 200 high-level representatives including Ambassadors and representatives from the public sector, development partner organizations, private companies and civil society.

The highlight of the HLM is the presentation of policy recommendations by the VEPG's Technical Working Groups (TWG) aimed at boosting the development of Viet Nam's energy sector in 5 key priority areas, namely Renewable Energy, Energy Efficiency, Energy Sector Reform, Energy Access and Energy Data and Statistics. Each TWG delivered and discussed a set of concrete policy recommendations, developed through extensive research and dialogue by the TWG members over the past year.

Recognizing their value to drive the development of Viet Nam's energy sector, H.E. Đặng Hoàng An - Vice Minister of Industry and Trade (MoIT), on behalf of the VEPG Chair H.E. Trần Tuấn Anh - Minister of MoIT, and Co-Chairs who are H.E. Bruno Angelet – Ambassador of the European Union to Viet Nam and Mr. Ousmane Dione - Country Director of the World Bank endorse the TWG's recommendations and commit to carry them forward in the coming time.

H.E. Đặng Hoàng An - Vice Minister underlines, "Today, we received nearly 40 policy recommendations which are results from the work of VEPG's 5 Technical Working Groups. These policy recommendations are valuable and truly relevant toward the policy development of Viet Nam's energy sector. It is my honor – on behalf of the Co-Chairs of the Viet Nam Energy Partnership Group, Ambassador Bruno Angelet and Mr. Ousmane Dione, to announce that we officially endorse these recommendations and commit to carry them forward. We will now work to ensure that they are integrated into the country's wider policy dialogue and energy sector planning".

Ambassador Bruno Angelet adds, "The EU is very committed to help Viet Nam's transition from brown to green energy, while also ensuring access to affordable energy for all and protecting Viet Nam's competitiveness. We are extremely proud that the Viet Nam Energy Partnership Group could deliver, just within 1 year, recommendations for comprehensive policy reform. They are the result of intense consultations with the Government, the private sector, academia and civil society. Our strong wish is that our recommendations will be embedded in Viet Nam's strategic policy papers and will be translated in concrete policy actions."

Mr. Ousmane Dione also states, “The World Bank is fully supportive of Viet Nam’s energy development agenda, including the 5 key priorities discussed at today’s High-level Meeting”, said Ousmane Dione, the World Bank Country Director for Viet Nam. “We are committed to helping Viet Nam deliver sustainable, clean, reliable and affordable energy for all, including technical and policy advice, direct investment financing, risk mitigation measures and guarantees, supporting regulatory reform, improving energy security, and helping Viet Nam meet its Nationally Determined Contributions as part of the Paris Agreement.”

The HLM also invites selected organizations to present best practice examples which relate to the policy recommendations from the TWGs and showcase new and innovative approaches that can be scaled-up in the future. There is a presentation about Phong Dien Solar Power Plant, the first utility solar project which successfully connected to the national grid in October 2018. A representative from Heineken Viet Nam presents a successful application of an ESCO model that helps the company increase its energy efficiency. The last presentation from Green ID is about Local Energy Planning (LEP) which successfully provides solar energy to remote communities, for example, in An Giang province.

For more information, please contact:

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Viet Nam Energy Partnership Group
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ANNEX VI – PRESS CLIPPING OF THE 2ND VEPG HIGH-LEVEL MEETING

1. Broadcast via Television channel VTV1 on the 7PM news on 26 November: <https://vtv.vn/truyen-hinh-truc-tuyen/vtv1/thoi-su-0.htm>

(mins 36 – 37)

2. Online newspapers

| No. | Newspaper | Headline | Links |
|-----|-----------------------|---|---|
| 1 | Đại biểu nhân dân | 2 nd High-Level Meeting of the Viet Nam Energy Partnership Group | http://www.daibieunhandan.vn/default.aspx?tabid=75&NewsId=413879 |
| 2 | Ministry's website | Joining Hands for a sustainable energy future | http://moit.gov.vn/CmsView-EcoIT-portal/html/print_cms.jsp?articleId=13391 |
| 3 | Nhân dân | Joining Hands for a sustainable energy future | http://www.nhandan.com.vn/kinhte/item/38370802-chung-tay-vi-tuong-lai-nang-luong-ben-vung-tai-viet-nam.html |
| 4 | Đấu thầu | Around 40 policy recommendations for sustainable energy development in Viet Nam | http://baodauthau.vn/phap-luat/khoang-40-khuyen-nghi-chinh-sach-phat-trien-nang-luong-ben-vung-tai-viet-nam-85786.html |
| 5 | Năng lượng Việt Nam | Joining Hands for a sustainable energy future | http://nangluongvietnam.vn/news/vn/bao-ton-nang-luong/chung-tay-vi-tuong-lai-nang-luong-ben-vung-tai-viet-nam.html |
| 6 | Thông tấn xã Việt Nam | EU committed to support Viet Nam to move to clean energy production) | https://vnanet.vn/vi/tin-tuc/kinh-te-4/eu-cam-ket-ho-tro-viet-nam-chuyen-dich-sang-nguon-nang-luong-sach-3598147.html |
| 7 | Công an nhân dân | Joining Hands for a sustainable energy future | http://cand.com.vn/Su-kien-Binh-luan-thoi-su/Chung-tay-vi-Tuong-lai-Nang-luong-ben-vung-tai-Viet-Nam-521875/ |
| 8 | Tạp chí Tài chính | EU committed to support Viet Nam to solve energy challenges | http://thoibaotaichinhvietnam.vn/pages/kinh-doanh/2018-11-26/eu-cam-ket-ho-tro-viet-nam-giai-quyet-van-de-ve-nang-luong-64760.aspx |
| 9 | Chính phủ | EU supports Viet Nam to move from 'grey' to 'green' energy | http://baochinhpvu.vn/Kinh-te/EU-ho-tro-Viet-Nam-chuyen-dich-nang-luong-tu-nau-sang-xanh/353085.vgp |

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| 10 | Kinh tế và đô thị | Solutions for sustainable energy development in Viet Nam | http://kinhtedothi.vn/hien-ke-de-viet-nam-phat-trien-nang-luong-ben-vung-330710.html |
| 11 | Lao động thủ đô | World Bank commits to support energy development programme in Viet Nam | http://laodongthudo.vn/wb-cam-ket-ung-ho-chuong-trinh-phat-trien-nang-luong-cua-viet-nam-83616.html |
| 12 | Báo Công Thương | Endorsing policy recommendations for sustainable energy development in Viet Nam | https://congthuong.vn/thong-qua-khuyen-nghi-chinh-sach-nang-luong-ben-vung-tai-viet-nam-112386.html |
| 13 | Sài Gòn giải phóng | EU and World Bank commit to support clean and assessible energy in Viet Nam | http://www.sggp.org.vn/eu-va-wb-cam-ket-ho-tro-viet-nam-nang-luong-sach-gia-re-561593.html |
| 14 | Đầu tư | From now to 2030, Viet Nam need 150 billion USD for energy development | https://baodautu.vn/tu-nay-toi-nam-2030-viet-nam-can-150-ty-usd-cho-phat-trien-nang-luong-d91614.html |
| 15 | Quân đội nhân dân | Policy recommendations for sustainable energy development in Viet Nam | http://www.qdnd.vn/kinh-te/tin-tuc/khuyen-nghi-cac-giai-phap-vi-tuong-lai-nang-luong-ben-vung-tai-viet-nam-555504 |
| 16 | Vnexpress | MoIT Vice Minister: 'we should not be too extreme with coal' | https://kinhdoanh.vnexpress.net/tin-tuc/vi-mo/thu-truong-cong-thuong-khong-nen-cuc-doan-voi-nhiet-dien-than-3845097.html |
| 17 | VietnamBiz | MoIT Vice Minister: Viet Nam need to import energy soon | https://vietnambiz.vn/thu-truong-bo-cong-thuong-sap-toi-viet-nam-se-phai-nhap-khau-nang-luong-111629.html |
| 18 | Thông tin đối ngoại | EU commits to support Viet Nam in transition to clean energy resources | http://tapchithongtindoingoi.vn/su-kien-va-binh-luan/eu-cam-ket-ho-tro-viet-nam-chuyen-dich-sang-nguon-nang-luong-sach-19574 |
| 19 | Petronews | From now to 2030, Viet Nam need 150 billion USD for energy development | https://petronews.vn/tin-tuc/nang-luong/26159/toi-nam-2030-viet-nam-can-khoang-150-ty-usd-de-phat-trien-nang-luong.html |
| 20 | VITV | 2 nd High-Level Meeting of the Viet Nam Energy Partnership Group | http://vitv.vn/tin-video/26-11-2018/ban-tin-hop-tin-viet-nam-18h-phat-song-1800-26-11-2018/211582 |

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