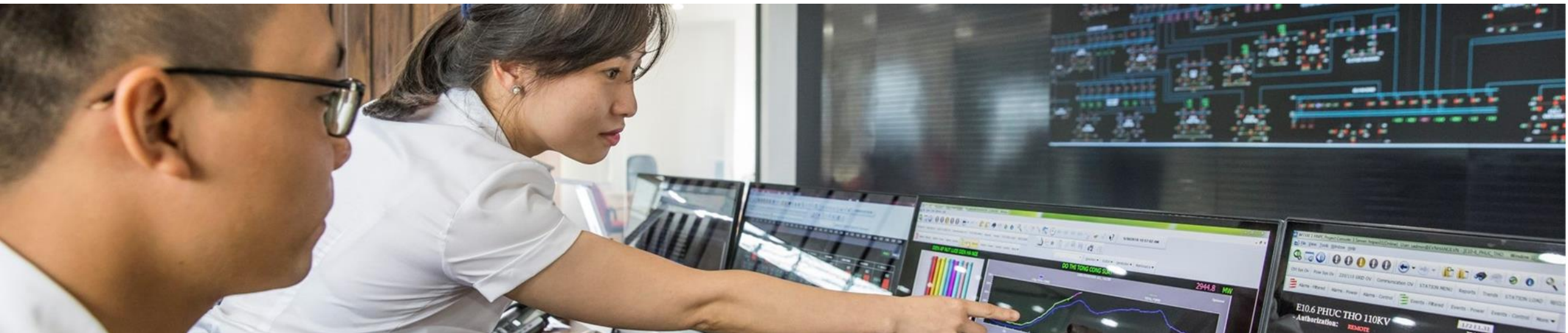


# 6<sup>th</sup> Meeting Energy Sector Reform Technical Working Group



23 April 2021

Electricity Regulatory Authority of Viet Nam, D10 Khuat Duy Tien, Ha Noi

# Meeting Objectives

1. Update on the **wholesale electricity market** and discussion of what's next in Vietnam's competitive market development
2. Draft Circular on the **implementation of the Pilot DPPA**
3. Priority topics in energy sector reform
4. **Technical Assistance needs and Initial ideas** for next phase cooperation

# Agenda

**09.00-09.15 Log-In & Guidance for Webinar Users**

**09.15-09.30 Opening. Introduction & Secretariat Report**

- *Mr. Phạm Quang Huy / Mr. Rahul Kitchlu*  
**Opening and introduction to the agenda**
- *Ms. Amber Sharick, International Coordinator, VEPG Secretariat*  
**Report of the VEPG Secretariat**

**09.30-10.45 Competitive Power Markets**

- **NLDC:** Update on the Implementation of the Competitive Power Markets 2020
- **ERAV:** Present the main contents of Competitive Energy Market Development (Decision 2233)
- **USAID/V-LEEP:** Draft Circular on the implementation of the Pilot DPPA
- **Roundtable discussion** facilitated by chair and co-chair on topic

**10.45-11.00 Tea Break**

**11.00-11.30 Priority topics in Energy Sector Reform in 2021; TAs needs and Initial ideas for next phase cooperation**

- Stakeholder discussion near-term and long-term priorities in energy sector reform including but not limited to: policy recommendations, potential assistances / cooperation.
- Priority TA needs and initial ideas for next phase cooperation
- Prepare next SC of VEPG

**11.30-11.45 Wrap-up and Closing Remarks**

- *Mr. Phạm Quang Huy / Mr. Rahul Kitchlu*

# Opening Remarks

- *Mr. Phạm Quang Huy, Deputy Director General, ERAV/MOIT*
- *Ms. Rahul Kitchlu, Sector leader for Infrastructure and Coordinator for Energy sector, World bank*

# Secretariat Update

*Ms. Nguyễn Phương Thảo, Project Officer  
VEPG Secretariat Team*

# 6<sup>th</sup> VEPG Steering Committee Meeting Outcomes

# VEPG Steering Committee



*Ministry of Industry and Trade Vice Minister*  
**Mr. Dang Hoang An**



*World Bank Country Director for Vietnam*  
**Ms. Carolyn Turk**



*European Union Ambassador to Viet Nam*  
**H.E. Giorgio Aliberti**



# VEPG Operational Plan 2021

## **Schedule through end of funding in November 2021:**

- High-Level Meeting August 2021
- Steering Committee Meeting Before the HLM (May 2021)
- Technical Working Group Rounds in March/April and September/October

## **Added flexibility via two mechanisms in the budget:**






1. Approved through Technical Working Group
2. Approved through Steering Committee



# VEPG – Timeline through 2021



# Technical Working Groups

TWG	6th Round	Key Topics/Highlights
<b>TWG 1 RE</b> 	<b>7 April 2021</b>	<ul style="list-style-type: none"> <li>• Updates on the <b>development of renewable energy</b> in Viet Nam including new mechanism for Solar Power, Offshore Wind Development Roadmap.</li> <li>• <b>Priorities topics</b> for the TWG on Renewable Energy in 2021</li> </ul>
<b>TWG 2 EE</b> 	<b>13 April 2021</b>	<ul style="list-style-type: none"> <li>• Update on the <b>implementation of the VNEEP3/ National Energy Efficiency Action Plan (NEEP)</b></li> <li>• <b>Priorities topics</b> for the TWG on Energy Efficiency in 2021</li> </ul>
<b>TWG 3 ESR</b> 	<b>23 April 2021</b>	<ul style="list-style-type: none"> <li>• Draft Circular on the implementation of the <b>Pilot DPPA</b></li> <li>• Update on <b>the wholesale electricity market</b> and discussion of what's next in Vietnam's competitive market development</li> <li>• <b>Priorities topics</b> for the TWG on Energy Sector Reform in 2021</li> <li>• <b>TAs needs and Initial ideas</b> for next phase cooperation</li> </ul>
<b>TWG 4 EA</b> 	<b>30 March 2021</b>	<ul style="list-style-type: none"> <li>• Update on <b>Rural Electrification</b> in the context of <b>PDP VIII</b> and <b>Plan for 2021-2025</b> period</li> <li>• Focus topic: <b>Bioenergy for rural area</b></li> <li>• <b>Priority topics</b> for the TWG on Energy Access in 2021</li> </ul>
<b>TWG 5 D&amp;S</b> 	<b>Beginning of May 2021</b> <b>TBC</b>	<ul style="list-style-type: none"> <li>• Update on <b>the implementation of Viet Nam Energy Information System (VEIS)</b></li> <li>• Briefing of the final draft of <b>Power Development Plan VIII (PDP 8)</b> (TBC)</li> <li>• <b>Planning and priority topics</b> for the <b>Technical Working Group on Energy Data and Statistics in 2021</b></li> </ul>

# Transition and Next Phase

- 1) **VEPG will continue into the next phase.** The **EU** has made an offer to fund the VEPG beyond 2021.
- 2) Stakeholders are concerned that the VEPG will be dormant between phases. **Germany** has made an offer to bridge the funding gap for the VEPG Secretariat between **November 2021 through June 2022**
- 3) The Secretariat is tasked to support the VEPG, working with the Steering Committee and other key stakeholders, in **revising/drafting Terms of Reference** for adoption at the next High-Level Meeting.

# Updates on Energy Sector Reform

1. Input from the ERAV/MOIT
2. Input from development partners

# Planning Session

## Priority topics & activities for 2021

# VEPG Policy Recommendations

## ANNEX I – OVERVIEW OF ACHIEVEMENT OF VEPG POLICY RECOMMENDATIONS

### Technical Working Group on Energy Sector Reform

	Policy Recommendations	Actions	Status 2019	Status 2020	Activities
1	Implementation of the Viet Nam Wholesale Energy Market (VWEM)	Improve the detailed VWEM design and implement cross-subsidy mechanism among Power Corporations	Partially Completed	Completed	MOIT Decision 8266/QD-BCT approved the Detailed Design of the Viet Nam Wholesale Market. MOIT Dec. 45/2018 issued 15.11.2018 regulating details of VWEM operation Cross-subsidy mechanism under development
		Fully implement VWEM and VCRM.	On-going	Partially Completed	Start of VWEM officially started operation since beginning of 2019: - Capacity of PC and Market participants has been significantly improved - Demand forecasting ability has been improved - dispatching interval shortened from 60 to 30 min. Decision 2093/QD-BCT on the Approval of the project on the Design of the Competitive Retail Market
2	Development of a Direct Power Purchase Agreement (DPPA) mechanism	Prepare and implement pilot DPPA model.	On-going	Partially Completed	MOIT Proposal No. 544 has been submitted to the Prime Minister along with a new draft Decision on approval of the pilot program on direct power purchase agreement (DPPA) mechanisms
		Analyze pilot DPPA model for further implementation of VWEM and VCRM.	On-going	On-going	May - Dec. 2019: Consultation on DPPA design Q4, 2020: Internal government review and approval process ongoing Q1 2021 - Q2 2021: Project Selection Q4 2021 - Q2 2022: Project Implementation



# Closing Remarks

*Mr. Phạm Quang Huy, Deputy Director General, ERAV/MOIT*

*Ms. Rahul Kitchlu, Sector leader for Infrastructure and Coordinator for Energy Sector, World Bank*

