

TERMS OF REFERENCE

of

the Viet Nam Energy Partnership Group

Revised version, approved in December 2021

1. BACKGROUND

On 25 September 2015, Viet Nam and most other countries in the world adopted the Sustainable Development Goals (SDGs) to end poverty, protect the planet, and ensure prosperity for all as part of the *2030 Agenda for Sustainable Development*. 17 SDGs were approved, including “*Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all*” and “*Goal 13: Take urgent action to combat climate change and its impacts*”. Most Parties to the UN Framework Convention on Climate Change (UNFCCC) also signed the Paris Agreement, which aims to “*strengthen the global response to the threat of climate change*”, including by “*holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels*”, which will require very significant global efforts to limit greenhouse gas emissions, in particular, from the energy sector.

The Ministry of Industry and Trade of Viet Nam (MOIT) and Development Partners¹ (DPs) wish to cooperate on energy development in Viet Nam in the context of these two multilateral agreements. They will also endeavour to align Official Development Assistance (ODA) to the extent possible with national policies and systems and enhance coordination and dialogue for effective ODA to the energy sector. This includes efforts to create the conditions for increased investment in sustainable energy, substantially increase access to modern energy services, and improving the efficiency of energy infrastructure and use.

Consultations with national agencies and DPs in late 2015 and 2016 have also led to the conclusion that the Viet Nam Energy Partnership Group should be established between Viet Nam and DPs.

Following a review of the VEPG early 2021, the partnership’s design is being adapted to align better with the energy sector needs. Notably the partnership aims achieving a higher participation of non-state actors, such as the private sector, NGOs, academia and think tanks.

¹ Development Partners include International Organizations, Inter-governmental Organizations, Multilateral Organizations providing Official Development Assistance to Viet Nam and diplomatic missions represented in Viet Nam that coordinate their multi-faceted relations with Viet Nam.

2. OBJECTIVES OF THE VIET NAM ENERGY PARTNERSHIP GROUP

The **overall objective** of the Viet Nam Energy Partnership Group is *to work towards effective and efficient international support to the government of Viet Nam and engage stakeholders to deliver the sustainable energy transition in Viet Nam, in line with national law and international agreements of which Viet Nam is a member.*

The **specific objectives** of the VEPG are as follows:

- 1) To provide a forum for high-level policy dialogue and thematic dialogue between the Vietnamese side, Development Partners, state-owned companies (e.g., EVN, PVN) and non-state actors (e.g., private sector, NGOs, academia and think tanks) on energy development in the context of the Sustainable Development Goals and the Paris Agreement on climate change;
- 2) To provide a platform to facilitate alignment of ODA with Viet Nam's sustainable energy transition and climate change strategies and action plans as well as shared international commitments, and private investment in the energy sector;
- 3) To provide a platform to facilitate implementation of development cooperation activities in the energy sector, and to reinforce coherence and effectiveness of international support while avoiding duplication and fragmentation of aid delivery;
- 4) To enhance learning through information sharing and communication on the energy sector between national and international participants.

3. PRINCIPLES OF THE VEPG

The VEPG will adhere to the following **principles**:

- 1) These Terms of Reference on the VEPG reflect the leadership by Viet Nam and active engagement of international DPs and state-owned companies and non-state actors;
- 2) Participants will align international assistance with national energy policies and shared international commitments, and focus on results;
- 3) The VEPG is open to agencies that are active in the energy sector and related fields;
- 4) Membership of the VEPG will be voluntary;
- 5) Membership of the VEPG does not constitute a commitment of funds to the VEPG by any participant, nor does it constitute financial support by any participant for any policy, program, project or fund;
- 6) Implementation of projects, programmes, research and other activities related to energy that may be discussed in the VEPG may be done by individual participants based on their own mechanisms, regulations and resources.

4. FUNCTIONS OF THE VEPG

The **main functions** of the VEPG are as follows:

- 1) Contribute to the development and implementation of national energy policies as well as shared international efforts through policy dialogue and other activities of the VEPG;
- 2) Identify opportunities for improved alignment of international assistance to energy and climate change strategies and action plans and shared international efforts, based on monitoring of progress towards outcomes and targets;
- 3) Enhance ODA coordination on energy issues, avoiding duplication and fragmentation of aid;
- 4) Enhance the mobilization of financial and other resources from the GoV, DPs, state owned companies and non-state actors for the implementation of energy-related strategies and action plans;
- 5) Enhance information sharing on energy-related policies, programme and research activities in Viet Nam, notably through Technical Working Group activities and a VEPG web-page;
- 6) Support the development of an evidence-base for energy policy making in Viet Nam.

5. THEMATIC FOCUS AND TECHNICAL WORKING GROUPS OF THE VEPG

Thematic focus areas of the VEPG include, but are not limited to the following:

- 1) Power sector strategic planning
- 2) Renewable energy
- 3) Grid Integration and Grid Infrastructure
- 4) Energy efficiency
- 5) Energy market

These thematic focus areas may be updated and revised in accordance with the needs and development in the energy sector as assessed jointly by MOIT and DPs.

Technical Working Groups (TWGs) will be initiated on each of these thematic focus areas, which should serve the objectives and functions of the VEPG. The main aim of the TWGs is to produce outputs that feed into high level policy dialogue. TWGs will address specific topics within the thematic focus areas and will aim to complement dialogue on related matters in other partnerships or TWGs.

TWGs will function over a set period with possibility of extension and will end as their goals are accomplished. TWGs will be initiated at the VEPG launch and other TWGs may be set-up in future, as demand evolves. The TWGs may decide to establish ad hoc task forces, to intensively work on specific priority topics that fall within their scope of work. Membership will include people with knowledge of the theme from Government, DPs, state-owned companies and non-state actors. Membership of TWGs will be approved by their chairs and co-chairs.

TWGs will design and decide upon their overall mission, workplans and modes of operation. TWGs will minimise the number of coordination meetings and focus on studies, technical reviews, working sessions, electronic exchanges, workshops and conferences, etc.

Terms of Reference for the TWGs are provided in Annex I.

6. GOVERNANCE AND ORGANIZATION

The **organisations participating in the VEPG** are the following:

- The principal participants in the VEPG are the Ministry of Industry and Trade (MOIT) who will invite representatives of other Ministries to participate as relevant and as per their mandates, including the Ministry of Foreign Affairs, Ministry of Justice, Ministry of Planning and Investment (MPI), Ministry of Natural Resources and Environment, Ministry of Construction, Ministry of Transport, Ministry of Science and Technology and/or the Office of the Government
- DPs active in the energy sector or closely related sectors;
- Representatives from state-owned companies and non-state actors (e.g., private sector, NGOs, academia and think tanks).

The **main VEPG leadership arrangements** are as follows:

- A Steering Committee will guide the management, work planning and operations of the VEPG including the Secretariat. It will be chaired by a vice-minister of MOIT, and include a leader of the focal unit (appointed by the Minister of MOIT), and two representatives of DPs. The SC will meet twice per year;
- The leader of a focal department appointed by the Minister of MOIT will supervise the VEPG Secretariat;
- High Level Meetings will focus on policy dialogue; they will be organised at least once a year and will be chaired by the Minister of MOIT or a deputy Prime Minister, and co-chaired by up to two leaders from the DPs;
- Each Technical Working Group (TWG) will be chaired by a leader of a department appointed by the Minister of MOIT, depending on the thematic focus area, and co-chaired by an equivalent representative of the DPs;
- The TWG chairs and co-chairs' responsibilities include: (i) approving TWG (annual) workplans, subgroups, modes of operation and membership of the TWG; (ii) deciding the agenda of (e.g. 6-monthly) meetings; (iii) monitoring implementation of TWG workplans; providing inputs into the overall VEPG annual workplan.

A **Secretariat** to support the operation of the **VEPG** will be established. The principal **responsibilities** of the **VEPG Secretariat** will include the following:

- Assist VEPG chairs, co-chairs and members with the formulation of annual VEPG workplans for approval by the Steering Committee;
- Assist TWGs with the formulation of annual TWG workplans;
- Prepare draft agendas and do logistics of High Level Meetings (HLMs), Steering Committee meetings and TWG meetings;
- Maintain a VEPG stakeholder database;
- Assist in developing and maintaining a web-page;
- Develop draft Terms of Reference for experts who support dialogues;
- Monitor progress by TWGs, consultant-experts and the VEPG Secretariat;
- Report on progress by TWGs, consultant-experts and the VEPG Secretariat.

7. RESOURCES OF THE VEPG

Some DPs may provide financial support for the proper functioning of the VEPG and its Secretariat, including for the organisation of policy dialogue and workshops, thematic reviews, and communication. This will happen through separate funding arrangements in compliance with relevant regulations of Viet Nam. In addition, some DPs and other VEPG members may provide, through separate arrangements, in-kind technical expertise, and assistance, in particular regarding research and sharing of findings in policy dialogues and TWGs.

MOIT and other ministries will provide in-kind contributions such as an office for the Secretariat, venues for technical meetings, technical expertise and human resources for VEPG activities on an ad-hoc basis.

However, these Terms of Reference do not constitute an international treaty and do not give rise to any legal rights or obligations under domestic or international law. Nothing in these Terms of Reference will, or is intended to:

- 1) Create any legal or procedural right or obligation whatsoever, including any such right or obligation which is enforceable by any of the participants against any of the others; or
- 2) Prevent any of the participants from complying with any law which applies to them; or
- 3) Fetter or restrict in any way whatsoever the exercise of any discretion which the law requires or allows the participants to exercise; or
- 4) Create any legitimate expectation on the part of any person that either of the participants will do any act (either at all, or in any particular way, or at any particular time), or will refrain from doing any act.

8. LONG-TERM SUSTAINABILITY OF THE VEPG

To ensure the long-term sustainability of the VEPG, the MOIT will lead efforts to secure additional donor, private and/or public funding in the coming years. The Secretariat will

support the VEPG Steering Committee in the development of a road map for raising additional funds for the partnership.

ANNEX I

TERMS OF REFERENCE FOR TECHNICAL WORKING GROUPS

1. OBJECTIVES OF TECHNICAL WORKING GROUPS

Technical Working Groups (TWGs) will contribute to the overall and specific objectives of the Viet Nam Energy Partnership Group (VEPG): prepare inputs into High Level Meetings (HLMs) which will focus on policy dialogue. TWGs will address specific topics within the VEPG thematic areas and must complement dialogues on related matters in other partnerships or TWGs under the VEPG. TWGs study and discuss specific issues to deepen the policy and technical discourse.

2. THEMATIC AREAS

The energy sector in Viet Nam is developing rapidly on a sustainable energy transition trajectory. The key challenges in this transition process arise on specific energy sub-sector level but also on the systemic level. This shall be reflected in the selection of thematic focus areas and in an inclusive dialogue and work process that involves all relevant line ministries and government institutions, as well as state-owned companies and non-state actors such as the private sector, NGOs, academia and think tanks.

Thematic focus areas of the VEPG include, but are not limited to the following:

- 1) Power sector strategic planning
- 2) Renewable energy
- 3) Grid Integration and Grid Infrastructure
- 4) Energy efficiency
- 5) Energy market

The thematic focus of TWGs may be updated and revised in accordance with the needs and developments in the energy sector as assessed jointly by the Ministry of Industry and Trade and Development Partners (DPs). The TWGs may decide to establish ad hoc task forces, as a mean to intensively work on specific, priority topics that fall within their scope of work (See Section 9).

3. STRUCTURE, LEADERSHIP AND MEMBERSHIP

TWGs will be chaired by senior representatives from the Ministry of Industry and Trade (MOIT) who are managers at the department level or equivalent. Each TWG is co-chaired by an equivalent representative from a DP.

In case a representative from MOIT or the DP is unable to continue to serve as chair/ co-chair of the TWG or any other need to change the TWG co-chairmanship arises, the SC will decide on a replacement of the chair/co-chair of the respective TWG.

The TWG chairs and co-chairs' responsibilities include: (i) agreeing on the TWG's annual workplan, modes of operation and membership of the TWG; (ii) agreeing the agenda of (e.g. 6-monthly) TWG meetings; (iii) monitoring implementation of TWG workplans; (iv) providing

inputs into the overall VEPG annual workplan and, when required (v) creating and closing ad-hoc task forces and approving task forces' work plans (See section 9).

Members of the TWGs are representatives from government agencies and DPs, from state-owned companies and non-state actors. All members must have adequate technical and/or policy expertise to contribute to discussions and activities.

TWG chairs and co-chairs will be assisted by the VEPG Secretariat, when and if necessary.

4. TWG CREATION AND DURATION

TWGs will function over a set period, with possibility of extension, and will be ended as their missions are accomplished. New TWGs can be initiated based on the Terms of Reference and upon formal proposal from TWGs or their members to the SC. The SC decides on the initiation of new TWGs or substantial changes to the scope of work of existing TWGs.

5. TWG OPERATIONS

The operations of the TWGs will be based on annual workplans. TWGs will design annual workplans that will indicate focal topics, concrete results and timing of activities in the year ahead. Activities could include thematic studies, research, technical / policy reviews and information exchanges, informal working sessions, and electronic exchanges. The annual workplans must consider the outcomes and recommendations of the HLMS, and any request by the SC and TWG members.

The annual workplans will be approved by the TWG chair and co-chair. The workplans will then be submitted to the Steering Committee for non-objection. Workplans must be made available to all group members.

If ad-hoc task forces have been created by TWG (see Section 9), separated workplans will be developed for each task force, depending on their planned duration.

6. TWG RESOURCES

The VEPG secretariat will assist TWGs with formulation of annual workplans; organisation of meetings including finalising the agenda for approval by the Chair and Co-Chair and sharing of materials with members; membership registration and communication; making logistical arrangements for meetings; disseminating results of the TWG activities; assisting in the development of Terms of Reference for expert inputs into TWG activities; monitoring and reporting of progress with TWG activities.

DPs and other VEPG members are expected to provide financial or in-kind support to specific activities agreed by TWGs, such as reviews, research and sharing of findings in policy and technical dialogue of TWGs and the HLMS.

The Ministry of Industry and Trade (MOIT) and possibly other ministries will provide in-kind contributions such as venues for technical meetings, technical expertise and human resources for VEPG activities on an ad-hoc basis.

7. TWG MEETINGS AND COORDINATION

TWGs will organise two or maximum three meetings per year. Regular TWG meetings will focus on specific topics and draft meeting agendas will be circulated in advance with assistance from the VEPG Secretariat. The focus topics will match the annual workplan and may include ad-hoc topics suggested by group members. The VEPG Secretariat assists in sharing input materials/ findings and recommendations to be presented and discussed at these meetings.

Minutes of TWG meetings shall be prepared and submitted to the TWGs and the SC within a week of meeting date.

Before a VEPG HLM, TWG will convene to decide on key inputs to the policy dialogue to be presented at the HLM.

8. OUTCOMES AND REPORTING

TWGs will prepare annual reports, with assistance from the VEPG Secretariat and approved by the TWG Chair and Co-Chair. The reports will summarise:

- The TWG's activities undertaken over the year;
- Achievements, outcomes of TWG activities;
- Inputs and recommendations (to be) made to the VEPG plenary HLM;
- A tentative workplan for the following year.

TWGs will occasionally report summaries of policy and technical recommendations to the Steering Committee, with assistance from the VEPG Secretariat and approved by the Chair and Co-Chair.

9. AD-HOC TASK FORCES

The TWGs may decide to establish ad hoc task forces, as a mean to intensively work on specific, priority topics that fall within their scope of work. This may entail carrying out expert technical reviews of laws and regulations or preparing recommendations for an upcoming legislative project, among other possible activities.

The TWG will appoint a focal point for the task force, which should be a representative from relevant government agencies/ ministries, DPs, or any non-state actors. The TWG will further carefully decide the task force's member composition. To ensure efficiency and effectiveness, ad-hoc task forces should only consist of members that have the necessary expertise to make a substantial contribution in the specific context of each task force. Members may include representatives of other ministries and/or relevant government agencies, the development partners, state owned companies and non-state actors, as appropriate. Officials/experts from other government agencies and institutions in other sectors can also be invited to join a task force, if their particular expertise adds value to the process.

The TWGs will also decide the timeline for the creation and closing of any ad hoc task force. Under the guidance of the task force focal point, an ad-hoc task force will elaborate its own workplan, which should foresee the number and timing of meetings, as well as clearly define the expected outputs of the task force (policy recommendations, concept notes, position papers, or other). Any outputs created under the ad hoc task force must be reported back to the TWG and, if required, to the SC.