



4th VEPG High-Level meeting – 24 January 2022

Opening remarks - MOIT Vice-Minister Đặng Hoàng An

Your Excellency Ambassador Giorgio Aliberti,

Ms. Carolyn Turk, Country Director of the World Bank,

Dear fellow Ambassadors,

Dear ladies and gentlemen,

On behalf of the Ministry of Industry and Trade of the Socialist Republic of Viet Nam, today I warmly welcome you to the 4th High Level Meeting of the Viet Nam Energy Partnership Group - VEPG.

Ladies and gentlemen, energy is the driving force of economic development, associated with the survival and prosperity of the country. Viet Nam has a dynamic economy, with a high growth rate for many consecutive years. Despite the challenges and difficulties from the COVID-19 pandemic, Viet Nam still strives to maintain positive economic growth momentum. In order to achieve the economic development goals, Viet Nam also faces many difficulties and challenges in ensuring energy security with the direction of green and sustainable development. The Government of Viet Nam is determined to implement the transformation of the energy sector structure, in the spirit of facilitating internal resources, while strengthening cooperation and support from development partners.

Multilateral cooperation mechanisms, such as the Viet Nam Energy Partnership Group (VEPG), are very significant for the development of Viet Nam's energy sector and economy. After 04 years of operation and 03 high level meetings organised, today we are delighted to hold the 4th VEPG High Level Meeting to look back on the past journey, to discuss the transformation of VEPG's operating mechanism to enhance the operational efficiency of VEPG in the new period as well as jointly proposing policy recommendations and action plans for the development of Viet Nam's energy sector.

Ladies and gentlemen,

In recent years, with the Government's policies encouraging renewable energy, renewable energy sources have developed remarkably in Viet Nam with impressive figures. By the end of October 2021, the total capacity of renewable energy sources reached 20,669 MW, accounting for 27.2% of the total installed capacity of the whole system; electricity generated from renewable energy sources has reached 24.524 billion kWh, accounting for 11.3% of the total electricity production of the whole system. In details:

Regarding wind power, Viet Nam has 70 wind power projects with a capacity of 3,987 MW that have been commercially operated with total electricity production in 2021 reaching 3.34 billion kWh, accounting for 1.3% of the total electricity generation of the whole system.



Regarding solar power, electricity output from solar power sources in 2021 accounted for about 10.8% of the total electricity production of the whole system.

Total installed capacity of biomass and waste to energy source reached 321 MW by October 2021.

These are extremely impressive and even more special figures in a difficult year like 2021 marked by the epidemic situation.

The above achievements were reached thanks to a considerable contribution of the Viet Nam Energy Partnership Group – VEPG, through the realisation of 40 policy recommendations in the energy sector. In addition, through the high-level dialogue mechanism within the framework of VEPG, the cooperation between the Government of Viet Nam and development partners becomes stronger than ever, which has great significance, not only for the energy sector in particular, but also for Viet Nam's socio-economic development, in general.

Viet Nam is a country with huge potentials and opportunities to develop green and clean energy, in addition to the advantages of natural conditions we also have the proactive long-term orientation set out by the Government. Accordingly, the restructuring the electricity sector and the energy sector is closely and drastically steered along with promoting restructuring and improving the efficiency of State-owned enterprises, continuing to implement equitization and divestment of state capital in unprioritized enterprises, developing and gradually establishing a competitive electricity market at all levels following the approved roadmap. At the same time, Viet Nam is continuing to implement phase 3 of the National Energy Efficiency Programme.

Beside to the above-mentioned favourable factors, Viet Nam must also implement solutions to address the challenges of ensuring energy security, simultaneously minimising the environmental impacts of power generation activities, for example, high-growth loads that put pressure on the infrastructure of the energy sector requiring large investment capital in the context of rising public debt and unfavourable equitization process. With the urges of industrialisation and modernisation of the country, Viet Nam's energy demand is constantly increasing at double digits, usually from 1.5-1.8 times of the GDP growth rate: 13% in the 2000-2010 period, 10.5% in 2011-2019, particularly in 2020 and 2021 the growth rate are reduced and low due to the impact of covid-19 pandemic, whereas there is a risk of power shortages for the country's economic development due to limited domestic primary energy supply, leading to an increasing dependence on imported fuel sources, especially fuel for power generation.

Therefore, the long-term, sustainable energy sector development strategy, to be developed in accordance with practical conditions, plays a key role in the development orientation of Viet Nam's energy sector. In this context, the Politburo's Resolution No. 55-NQ/TW issued on February 11, 2020 has outstanding significance to show the party's proper direction on the Viet Nam's National energy development strategy to 2030 with a



vision to 2045. The Ministry of Industry and Trade is implementing this development strategy through the development and completion of the Power Development Plan VIII, the National Energy Development Master Plan, and the Viet Nam Coal Industry Development Strategy. These are fundamental strategies, creating a premise to promote the development of the energy sector, in general, and the electricity industry in Viet Nam, in particular in the coming time.

Ladies and gentlemen,

In the next period, Viet Nam's goal is aiming towards a sustainable energy transition. To achieve this goal, Viet Nam needs to strengthen international cooperation, calling for stronger participation from international development organisations, mobilising overall support from the relevant agencies and attracting positive contributions from the non-state sector, such as private enterprises, non-governmental organisations, research institutes. Updating and adjusting VEPG's structure and operation is timely, necessary and important to serve the new goal. I hope that with new Technical Working Groups, new partners, and the expansion of participants and stakeholders will help VEPG become stronger and maintain its position as the leading high-level dialogue forum to support the Government of Viet Nam in the process of planning and implementing policies to develop the energy sector.

On this occasion, I would like to express my sincere thanks and gratitude to the leaders, officials in charge, as well as employees of diplomatic representative agencies, international agencies and development organisations, consultancy units, the domestic and foreign business community in Viet Nam for their contributions, cooperation, active and effective support for Viet Nam's socio-economic development, including the energy sector. I would like to warmly welcome Madam Carolyn Turk, World Bank Country Director in Viet Nam as Co-Chair of the VEPG High Level Meeting. I strongly believe that she will have a very successful tenure with valuable results in Viet Nam.

I would like to sincerely thank H.E. Giorgio Aliberti, Ambassador of the Delegation of the European Union in Viet Nam for his dedication, enthusiasm and close and effective cooperation with the Ministry of Industry and Trade in recent years as Co-Chair of the Viet Nam Energy Partnership (VEPG).

I would like to send my thankfulness and high appreciation to the effectiveness of the Steering Committee, Chair and Co-Chair of the Technical Working Groups as well as the VEPG Secretariat over the years, which have facilitated the completion of many policy recommendations for Viet Nam's energy sector!

Thank you to the representatives of the media agencies who attended and reported on this High-Level Meeting.

In that spirit I hereby announce the opening of the 4th VEPG High-Level Meeting. I wish good health to all delegates is attending today. Let's look forward to a very fruitful meeting.

