




Technical Working Group 4 on Energy Efficiency

SUPPORT SMALL AND MEDIUM-SIZED ENTERPRISES IN IMPLEMENTING ENERGY SAVING AND EFFICIENCY SOLUTIONS

Hanoi, 13 June 2024

Facts and Figures

- Final Energy Consumption:
 - 26,28 million TOE (2000)
 - 69,99 million TOE (2021)
- Projected Energy Demand by 2035: ~2,5 times higher than 2015
- National Electricity consumption
 -  ~ 9,6%/ year from 2011-2020
 -  ~ 7%/ year during 2023 – 2030 and 6.5 – 7.5% during 2031 - 2050
- Energy consumption in industrial sector:
 - ~ 55.14% of total final energy consumption (2021)
 -  ~ 5%/ year by 2035

Context and barriers of EE adoption in industrial sector

- Lack of awareness of EE solutions (technologies, equipment, productivity improvement, cost efficiency, etc.)
- Low technical capacity (EE-related personnel)
- Restricted financing options for EE investment
- Insufficient qualified consulting companies/ experts
- Limited availability of standardized documentation on successful case studies

International Support to the EE adoption in Vietnam

- The EU – Viet Nam Sustainable Energy Transition Program (SETP)
- Just Energy Transition Partnership (JETP)
- Scaling Up Energy Efficiency in Vietnam (VSUEE)
- The Danish Energy Partnership Programme in Vietnam (DEPP III)
- Promoting Energy Efficiency Investment Market in the Industrial Sector and Supporting the National Green Growth Action Plan of Viet Nam
- Green Public Procurement Initiative for Heavy Industries
- ***Promoting Energy Conservation in Small and Medium Scale Enterprises (PECSME)***
- ***Green Investment Facility (GIF/LCEE)***

Accelerating energy efficiency in large industries through EnMS, system optimisation & the promotion and adoption of EE in SMEs (IEEP)



Five years from Jan **2023** to Dec **2027**



Nationwide



6.5 M € (EU inputs)



*To promote and stimulate market demand and increase the adoption of energy efficiency practices by industry (including large energy consumers – **Designated Industrial Enterprises (DEUs)** – and **Small and Medium-sized Enterprises (SMEs)**) for greater energy performance, reduced carbon footprint, and enhanced productivity and competitiveness.*

IEEP Activities towards SMEs (Annual Energy Consumption: ≤ 1000 TOE)

- 🎯 Create **enabling environment** for EE adoption through support to develop/ revise related regulations and guidelines and an incentive scheme adopted by policy-makers for the EE implementation of SMEs
- 🎯 Train for **200** SME representatives on operational improvement and the adoption of energy efficiency technologies
- 🎯 Support the implementation of EE projects by **50** SMEs



Implications for EE promotion in SMEs

- The availability & promotion of appropriate (*local*) EE solutions/technologies which are affordable & accessible by SMEs and help to secure full market transformation
- Wide-scale awareness-raising and capacity building programs to all EE practitioners, including technical personnel, experts/ consultants, suppliers and financial institutions on suitable EE solutions and implementation (benefits, cost savings, productivity improvement, successful case studies, risks, etc.)
- The strong partnership, close collaboration and active involvement of different stakeholders: (central and *local*) public sector partners, *associations*, suppliers, technical consultants, financial institutions, etc.
- Local policy to support the adoption of new technologies
- Sharing and application of lessons learnt from similar EE initiatives in the field through MOIT, MOST, MONRE

Case study:

Promotion of LPG ceramics kilns to SMEs in Bat Trang & Kim Lan

- Technology:
 - Locally developed and installed by local suppliers
 - Energy savings: 30%, CO2 emission: decrease by 67%, Temperature stability: Up to 98%, Percentage of quality products: Increase from 60% to 95%
 - Local policy on elimination of polluting coal kiln technology by local government of Bat Trang & Kim Lan commune
 - Technical support (training on how to operate the LPG kilns efficiently and provide safety guides) in order to prepare for the transfer to the new technology
 - Financial support: Bank guarantees and/ or saving awards to reduce risks and create confidence
 - Close cooperation among the project teams, local authorities and ceramics associations in Bat Trang and Kim Lan commune
- Successful up-scale to hundreds of households in Bat Trang and Kim Lan

THANK YOU !

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