

Supporting Viet Nam in moving toward a Sustainable Energy Future

The Challenge

With its dynamic economic growth, Viet Nam's energy demand will increase exponentially by the year 2020. The country's overall installed power generation capacity was 50 Gigawatt (GW) in 2018. Hydropower, coal and natural gas are still the dominant energy sources for power production.

Viet Nam has extensive resources to develop renewable energy (RE). The government aims to increase its renewable energy share in power production from 5.4% in 2015 to 21% in 2030(*).

Overall, Viet Nam offers great potential for the use of renewable energy sources and improved energy efficiency, but a lack of economic incentives and funding as well as limited capacities have impeded the expansion.

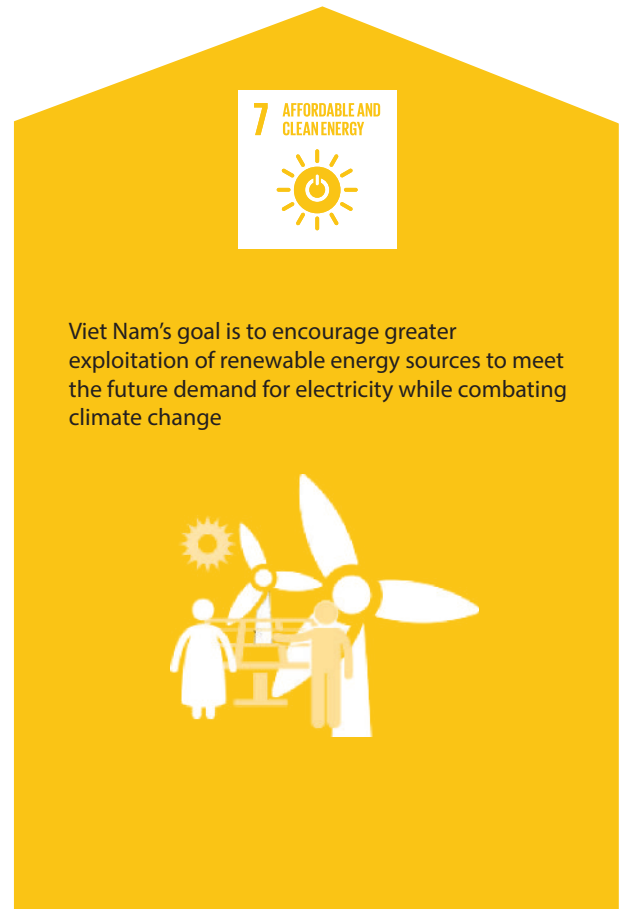
Our approach

Working on behalf of the German Government, GIZ supports the Government of Viet Nam in realizing its national renewable energy and energy efficiency targets. Our strategic advice aims to improve the regulatory framework and facilitate in particular private sector investment in the energy sector by building investor's confidence and understanding about the requirements and regulations for energy project development.

Working closely with the Ministry of Industry and Trade, GIZ supports the development of capacities of governmental and non-governmental actors in the energy sector to enhance knowledge and experience among key energy stakeholders.

We promote innovation in the sector by fostering research collaboration, technology transfer and exchange of experiences between German academic institutions and their partners in Viet Nam.

(*). Source: The National Power Development Plan revised in March, 2016.



7 AFFORDABLE AND CLEAN ENERGY

Viet Nam's goal is to encourage greater exploitation of renewable energy sources to meet the future demand for electricity while combating climate change





Results in numbers.....

- The programme's activities contributed to the installation of 300 Megawatt (MW) power generation capacity from wind power plants, which produce clean power for 210,000 households.
- We facilitated the investment in 226MW of solid biomass energy projects by the sugar industry, which generate clean electricity for 635,000 people.
- GIZ assisted in the identification of savings potentials from 246 Key Energy Users, which could reach 1,200,000 MWh per year corresponding to the annual electricity demand of 842,000 people.
- 1,370 participants from the public and private sector benefited from our trainings on wind, solid biomass, and solar PV energy as well as on energy efficiency.
- We contributed to the mobilization of USD 465,000 in grants as technical assistance and indirectly contributed to a total of USD 122 million of private investment for solar and bagasse fueled CHP projects.
- Our Project Development Programme (PDP) has identified 50 renewable energy opportunities for German-Vietnamese business partnerships to engage on which up till now lead to concrete investments of 30 MW of solar photovoltaic energy.

Programme name	Energy Support Programme
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Co-financed by	The European Union
Implementing organization	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Lead executing agency	Ministry of Industry and Trade
Duration	2014 - 2021
Financial volume	EUR 21 Mil
Contact	Energy Support Programme email: office.energy@giz.de

Results in stories

Viet Nam has extensive resources to develop solar energy. It is estimated that the technical potential of solar energy is 300 GW(*). The Vietnamese Government has set targets to install 12 GW of solar power production capacities by 2030.

The solar energy market in Viet Nam, however, is at a very early stage with local stakeholders still having limited knowledge of and experience with solar PV project development. There is high demand for international partnerships, which enable transfer of knowledge and international expertise to promote sector development.

With technical assistance from GIZ, a 308 kWp solar PV rooftop system was realized in July 2017, in an industrial park in Bac Ninh province. The system was invested by the world's third largest cold storage service provider, Swire Cold Storage Vietnam (now Emergent Cold), and implemented by a German engineering company with reputable track record in rooftop solar installations.

GIZ's Project Development Programme (PDP) supported the project with technology consultancy, economic feasibility assessment, marketing activities and monitoring of the PV system's performance during the first year of operation.

At the time of completion in 2017, the PV system at Emergent Cold was the 3rd largest solar system in Viet Nam. With annual energy savings of 15% of the facility's power demand and 273 tons of CO₂ emission reduction, the project is an important milestone in facilitating private investment in solar energy in Viet Nam and contributes to the sustainable supply of clean electricity.

This cooperation on a solar PV rooftop system is a lighthouse project for successfully matching a local investor in Viet Nam with an experienced German company for project development and installation. It is not only an important business partnership but also provides opportunities for technology and knowhow transfer, which is highly crucial for the sustainable development of renewable energy in Viet Nam.

(* Source: Viet Nam Energy Outlook 2017)

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Registered office: Bonn and Eschborn, Germany

Energy Support Programme
Unit P042A, 4th Floor, Coco Building,
14 Thuy Khue, Tay Ho District, Hanoi, Viet Nam
T +84-24-39 41 26 05
F +84-24-39 41 26 06
Office.energy@giz.de
<http://gizenergy.org.vn/en/>

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