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WORKSHOP

OVERVIEW ON VIETNAMESE PUBLIC INSTITUTIONS IN ENERGY EFFICIENCY

Hanoi, February 2022





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FUNCTIONS, TASKS AND ORGANISATIONAL STRUCTURES OF PROVINCIAL-LEVEL PUBLIC INSTITUTIONS







PROVINCIAL-LEVEL PUBLIC INSTITUTIONS RELATED TO PROVINCIAL-LEVEL ENERGY EFFICIENCY IN THE PROJECT SCOPE

- The Industrial Development Centre under the Ministry of Industry and Trade (hereinafter referred to as IDC) and other public organisations under the Ministry of Science and Technology (MOST).
- Provincial-level public enterprises directly related to local energy efficiency which are currently local power companies under Vietnam Electricity (hereinafter referred to as PC).



FUNCTIONS, TASKS AND ORGANISATIONAL STRUCTURES OF IDC

- Providing public services in the field of industrial promotion and industrial development consultancy (including energy efficiency);
- Complying with direct direction and management of the Department of Industry and Trade, as well as specialised, professional direction and guidance of the local Department of Industry under the Ministry of Industry and Trade.
- Having legal status, operating under the autonomy and self-responsibility mechanism of public nonbusiness entities in accordance with the law.
- Functions, tasks and powers of IDC are specified in the Joint Circular No. 16/2011/TTLT-BCT-BNV dated
 April 5, 2011 of the Ministry of Industry and Trade and the Ministry of Home Affairs.

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FUNCTIONS, TASKS AND ORGANISATIONAL STRUCTURES OF IDC

IDC's specialised and professional departments are established in accordance with their functions and tasks, ensuring leanness, reasonableness and effectiveness; each department has 01 Head, 01 Deputy Head and a number of public employees; its staffing, or the number of public employees, is determined by job position and decided by the provincial People's Committee.

Each locality (63 provinces and centrally-run cities) has a Centre for Industrial Promotion and Industrial Development Consultancy; the staffing of specialised and professional departments, including in energy efficiency, is not subject to rigid regulations but depends on local characteristics.



PUBLIC ORGANISATIONS UNDER THE MINISTRY OF SCIENCE AND TECHNOLOGY (Centres):

Centres under the Ministry of Science and Technology are public non-business units directly under local Departments of Science and Technology, the functions and tasks of which are specified in the Joint Circular No. 29/2014/TTLT-BKHCN-BNV.

✤ The staffing for public employees, or the number of people working in these Centres is assigned on the basis of job positions, functions, tasks and operating scope assigned by competent authorities.

Main tasks: technological research, application, deployment and transfer of scientific and technological services for state management by provinces and centrally-run cities.



LOCAL POWER COMPANIES (PCs):

PCs are enterprises under 05 member Power Corporations of Vietnam Electricity, including Northern Power Corporation (EVNNPC), Central Power Corporation (EVNCPC), Southern Power Corporation (EVNSPC), Hanoi Power Corporation (EVNHANOI), Ho Chi Minh City Power Corporation (EVNHCMC).

✤ 05 member Power Corporations with independent accounting have their 100% of charter capital, controlling shares and contributed capital, or controlling right held by EVN; these Corporations' main operating areas are organisation, management and administration of electricity distribution, wholesale and retail to ensure safe, stable, continuous and high quality supply, meeting the electricity demand and serving socio-economic development.



LOCAL POWER COMPANIES (PCs):

The organisational structure of local power companies includes specialised and professional departments such as business, technical, safety, and customer services. (Refer to the detailed chart)

Depending on characteristics and organisational structure of local power companies, the organisation and implementation of energy efficiency in the localities are assigned to business, technical, safety, and customer services departments, etc.

ORGANISATION STRUCTURE OF DA NANG POWER COMPANY LIMITED



Federal Ministry for Economic Affairs and Climate Action

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MAIN ENERGY EFFICIENCY ACTIVITIES OF PROVINCIAL-LEVEL PUBLIC INSTITUTIONS



ENERGY EFFICIENCY ACTIVITIES OF IDCs:

✤ Consulting, proposing solutions and providing technical support on energy conservation for local energyconsuming facilities, conducting energy audit, and supporting the development of energy management systems, clean production models, use of renewable energy, etc.

Implementing communication activities to raise awareness of enterprises, households, and communities on energy efficiency.

✤ Organising conferences and seminars to disseminate and guide mechanisms, policies and compliance with legal regulations on economical and efficient management and use of energy.

Organising exhibitions on energy saving technologies and equipment in some localities such as Ho Chi Minh City, Ha Noi, and Hai Phong.

Organising training to improve managerial and technological capacities of enterprises, factories and buildings.

✤ Coordinating with local State management agencies to inspect energy efficiency activities of energy-consuming facilities.



ACTIVITIES OF CENTRES UNDER MOST:

According to a survey by VECEA, the number of Centres operating in the field of energy efficiency is not large. In recent years, only the Science and Technology Progress Application Centre (under DOST of Ho Chi Minh City) and the Energy Conservation and Technology Consultant Centre (under DOST of Da Nang City) have registered to participate in energy efficiency activities. Their main activities include:

Technological research, application, deployment, and transfer in the fields of energy efficiency and renewable energy.

Similar to IDC, the Centres under MOST also participate in activities like consulting, proposing solutions to energy conservation for local energy-consuming facilities, conducting energy audit, and supporting the development of energy management systems, clean production models, use of renewable energy, among others.

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ENERGY EFFICIENCY ACTIVITIES OF PCs:

Currently, energy efficiency and conservation activities deployed by local power companies mainly focus on the following main contents:

➤ Coordinating with agencies to implement communication programs on power conservation such as "Earth Hour", "Energy saving families", "Energy saving in schools", "Electricity-saving streets", "Replacing incandescent/compact lamps with LEDs", and "Energy safety, efficiency and conservation consultancy"; communicating the implementation of Directives No. 171/CT-TTg, No. 34/CT-TTg and No. 20/CT-TTg of the Prime Minister on enhancing energy conservation.

➢ Implementing non-commercial demand side management (DSM) and demand response (DR) programs; in 2019, agreements with more than 3,000 key energy users were entered into.





Piloting ESCO-modeled provision of energy conservation services between 2014 and 2016 with 6 industrial-scale projects of solar hot water supply for seafood processing facilities and hotels in the Southern region (the average amount of energy saved per project is 240,000 kWh/year; the average payback period per project is 4.5 years). In 2017, an average of 10 ESCO/PC projects were scaled up.

In 2017, dragon fruit farmers were supported to replace incandescent bulbs with compact lamps for off-season flowering on dragon fruit trees in Binh Thuan, Long An and Tien Giang provinces. The number of bulbs changed within the program's scope was 2,065,269, saving an average of 54.5 million kWh of electricity per year.

Developing rooftop PV systems; by December 31, 2020, the whole country had developed 9,639,923 kWp of solar PV, in which the grid-connected output was 1,242,732,062 kWh,

etc.

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OVERALL EVALUATION AND PROPOSALS



OVERALL EVALUATION

- ✓ Provincial-level public institutions with their assigned functions and tasks have made an important contribution to the implementation of energy efficiency activities by localities across the nation, actively contributing to the success of the national and local energy efficiency programs.
- ✓ Professional energy efficiency activities of provincial-level public institutions focus on communication, training, energy audit, consulting on energy conservation solutions, building energy management models, developing rooftop PV models, and piloting the ESCO model in heat and solar power supply.
- ✓ Resources (facilities and human) of public institutions are uneven. Operating expenses, mostly supported by the State budget or State-owned enterprises, and revenue from energy efficiency services, are negligible. No public institution has registered to operate under the energy service company (ESCO) model.

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OVERALL EVALUATION

- For IDCs/Centres under MOST: Except for large localities (Ha Noi, Ho Chi Minh City, Da Nang, Hai \checkmark Phong, Can Tho), public institutions in many localities still have limited capacity of independently carrying out their local tasks.
- For PCs: Due to their existing characteristics and competence that enable PCs to directly approach \checkmark customers' electricity consuming process, the implementation of power conservation solutions is effectively controlled and supported; however, because PCs are state-owned enterprises, there is no financial mechanism for energy efficiency activities (most of the budget for energy conservation activities by PCs currently comes from customer services). 28/02/2022



PROPOSALS

- Provincial-level public institutions at different levels all require training to improve their professional capacity and skills in implementing local energy conservation programs/projects.
- It is necessary to conduct surveys, evaluate and make up plans to support capacity building of provincial-level public institutions at the present time. This is an important task to ensure the target of quality improvement for human resources to be ready to achieve the goals approved in the VNEEP3 framework.



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