

# EUROPEAN COMMISSION ROADTABLE “ENGAGING WITH ASIA – PACIFIC ON CLIMATE CHANGE”

Securing sustainable energy for future and embracing the low carbon industry: win-wins from energy cooperation and the knowledge sharing dilemma – Vietnam Case

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Vietnam Business Council for  
Sustainable Development (VBCSD)



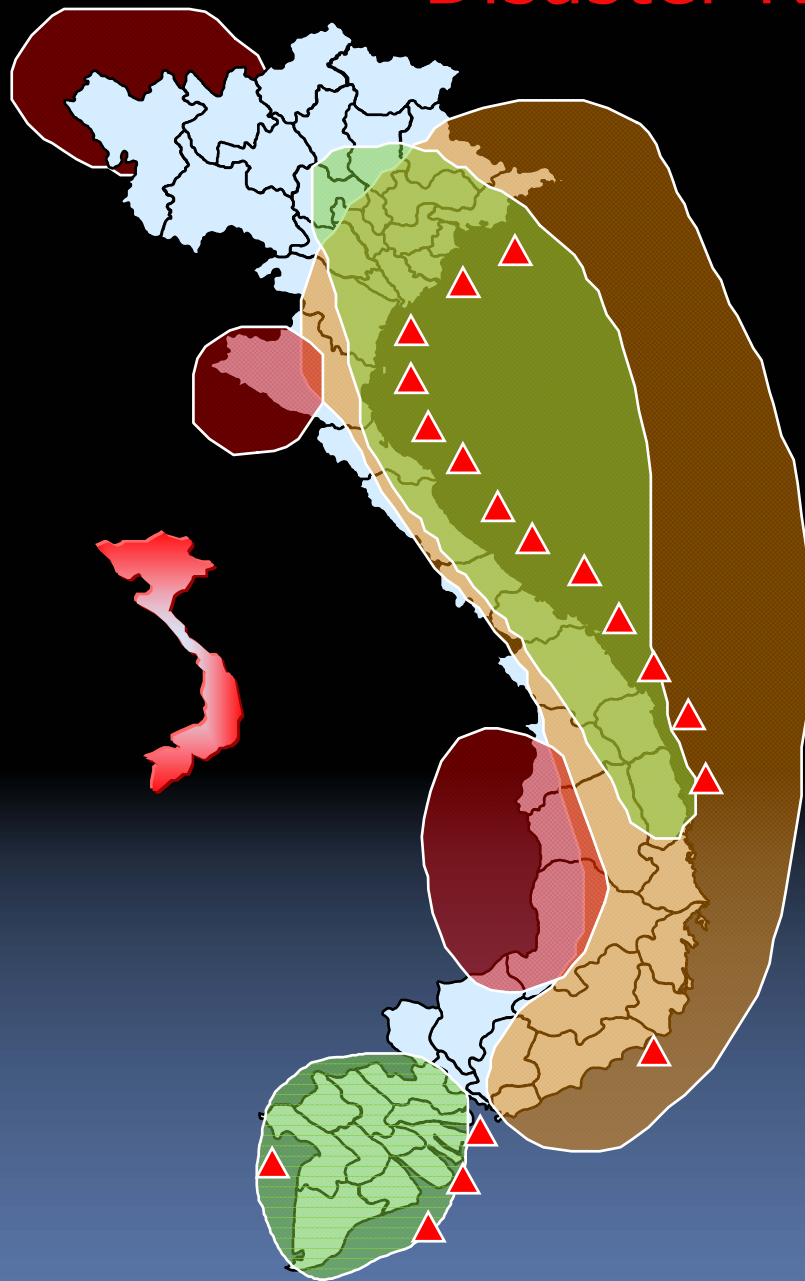
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**Table 1:** Basic national statistics (data for the year(s) indicated).

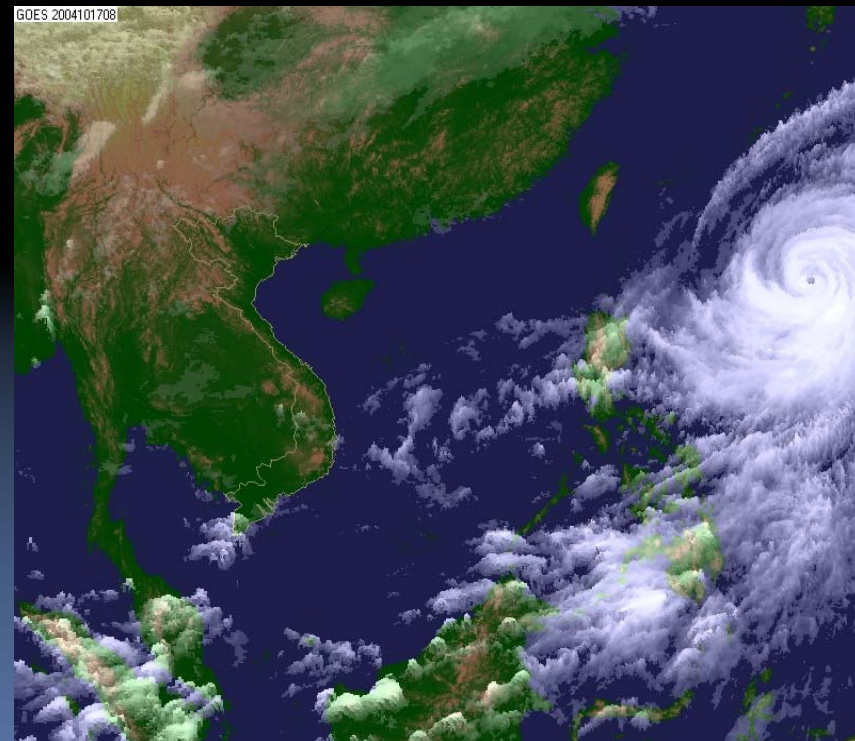
	Vietnam	Lao PDR	Cambodia
Land area (square kilometres)	331,114	236,800	181,035
Population (millions) (2009)	87.2	6.3	14.8
Urban population (%) (2009)	28	32	22
Annual population growth (%) (2009)	1.2	1.8	1.7
Population below national poverty line (%) (2008)	14.5	27.6	30.1 (2009)
Population below \$2 a day (PPP) at 2005 international prices (%) (2008)	38.5	66.0	56.5 (2007)
Gross National Income <i>per capita</i> , Atlas Method (US\$) (2009)	1000	880	650
Growth in Gross Domestic Product (GDP) (%) (2008/9)	6.3/5.3	7.3/6.4	6.7/-1.9
Role of agriculture (value added, % of GDP) (2009)	21	35 (2008)	35
Role of industry (value added, % of GDP) (2009)	40	28 (2008)	23

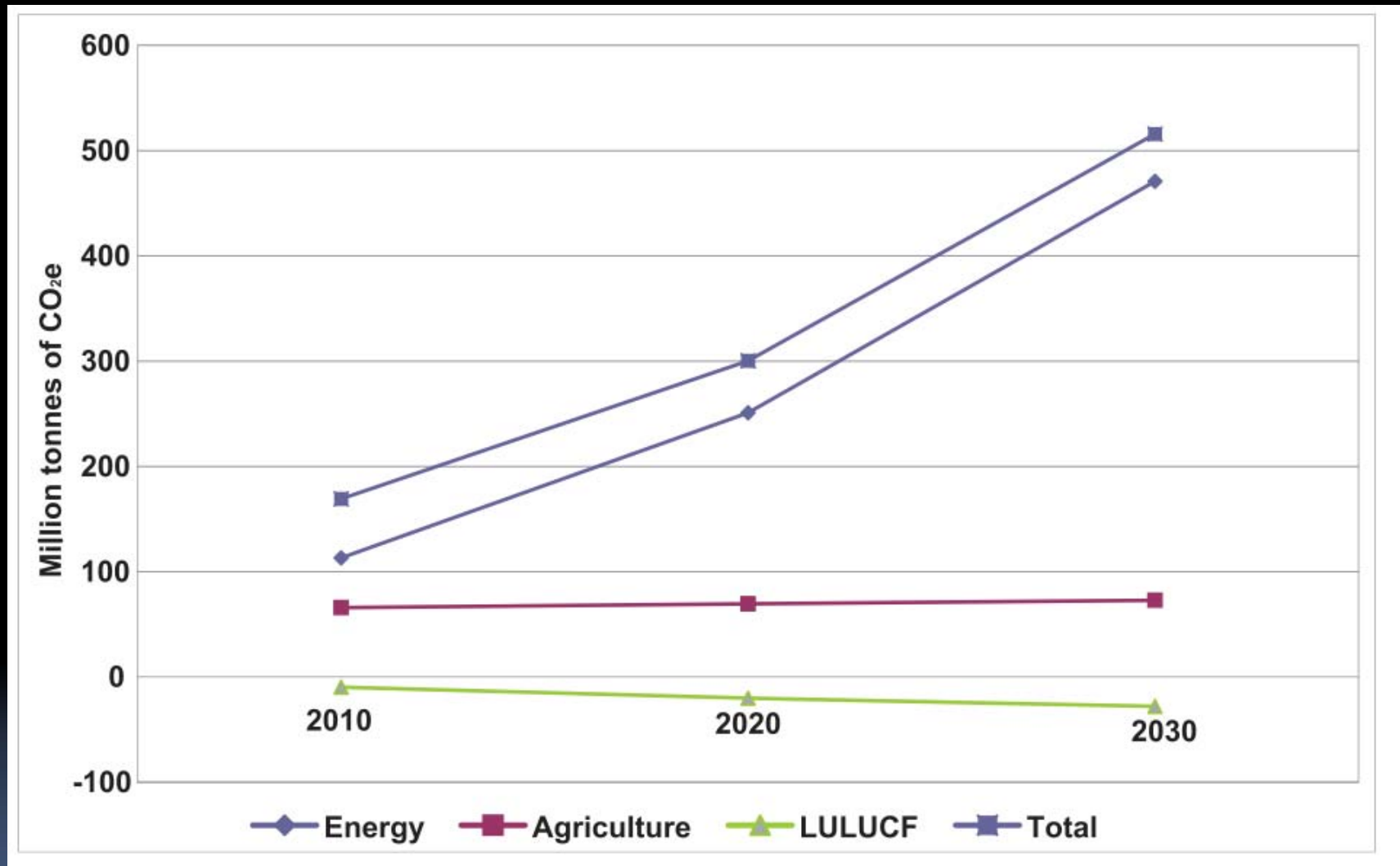
Source: World Bank Data at <http://data.worldbank.org/indicator>

# Disaster Risks in Vietnam



-  River Flooding
-  Flash Flooding
-  Typhoons
-  Storm Surges

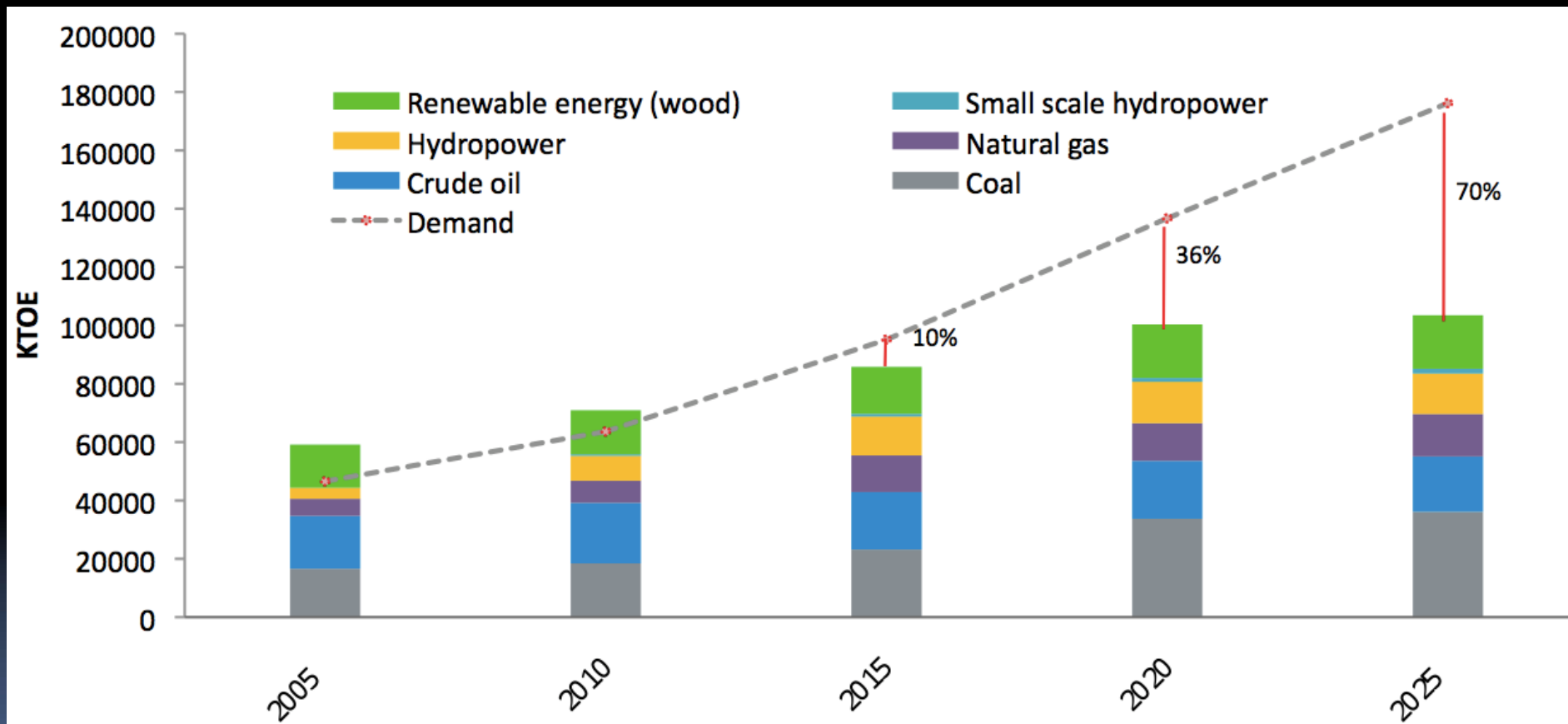




GHG emission projections 2010-2030  
(Source: MONRE, 2010)

# Energy Situation

Vietnam planned to reach an energy deficit of 70% by 2025



- . Energy deficit by 2015 of 10%, rising to 70% in 2025
- . Energy prices set to drastically increase few times a year
- . Need to import fuels (coal, oil)

# Total Capacity of Power Plants by 2020

Total capacity by 2020: 75000MW

Rations:

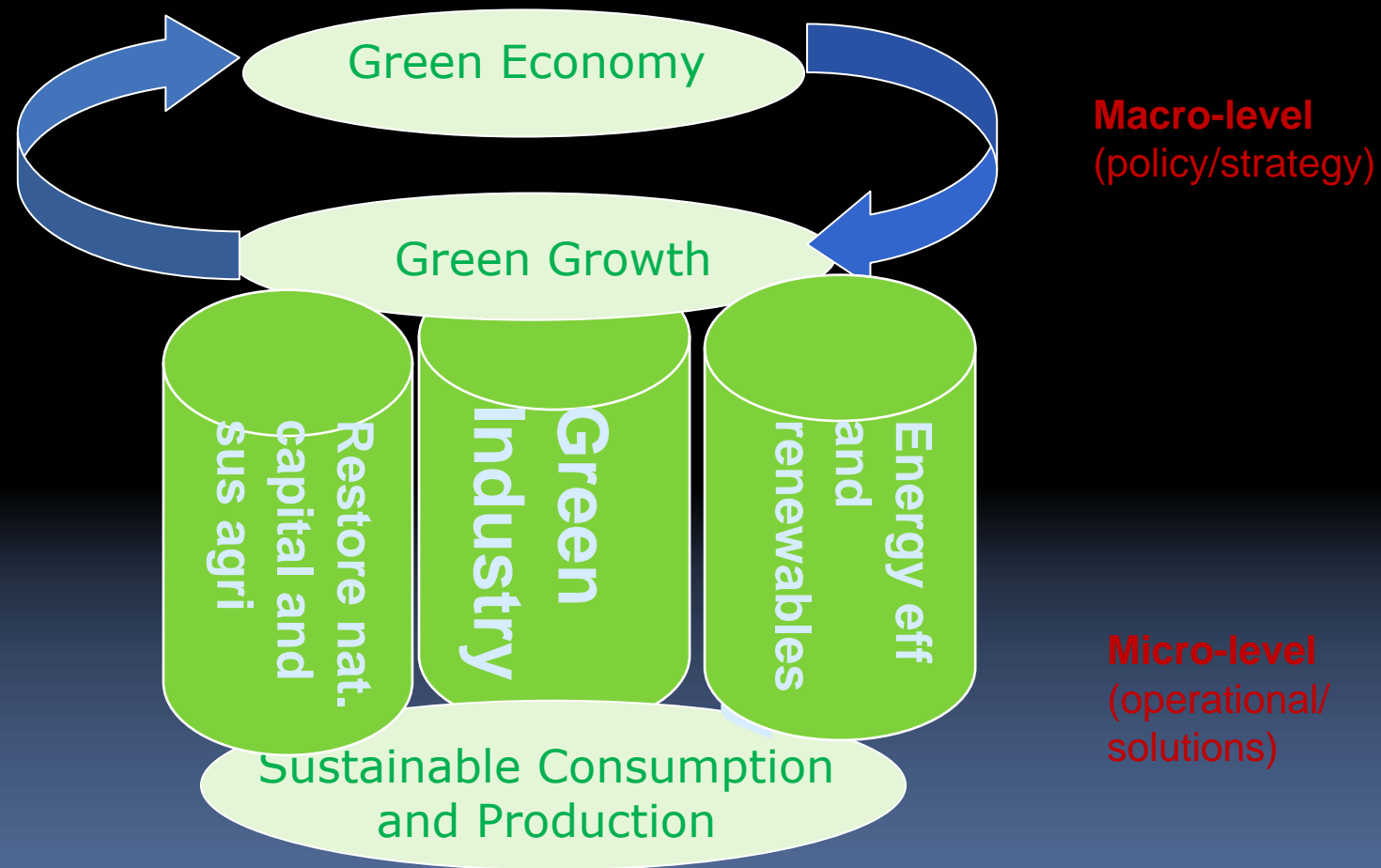
- Hydropower: 23.1%;
- Pump storage hydropower 2.4%;
- Coal fired power 48.0%;
- Gas fired power 16.5% (in which LNG power 2.6%);
- Renewable energy power 5.6%;
- Nuclear power 1.3 %;
- Imported power 3.1%.

**By 2030:** structure of power resources is changed with increased share of coal fired power (to 51.6%), renewable energy, nuclear power and power import.

## Priority of Renewable Energy Development

- From 2% in 2010, to 4.5% of total electricity production in 2020 and 6.0% in 2030;
- Wind power will be increased from negligible level at present to 1,000MW in 2020, and about 6,200MW in 2030;
- Biomass power, power cogeneration at sugar plants will have total capacity of about 500MW in 2020, and increased to 2,000MW in 2030.

# Green Sectors for Green Growth



Green growth is driven by sector-strategy realization of Green Growth and Green Economy in related sectors (Source: MPI, 2012)



# Supports for Green Industry

- Government allocates adequate funding from the central ( through annual plan) and local budgets for GI.
- Market based mechanism and financial instruments will be encouraged.
- This could include taxes, charges, concessional loans, removal of subsidies and price incentives of “brown industry”, shift in taxation with eco-tax.
- Attract various sources of FDI, loans, ODA funding.
- Study and establish “green growth fund”

# Supports for Green Industry

1. To receive support from the government, companies should present to the Ministry of Science and Technology documentary proof of use of green technology.
2. State budget have increased each year for enterprises applying green-tech. Government has set up regulations on the use of wind, solar and recycling plants. Any business using renewable energy will be eligible for loans from Vietnam Development Bank.
  - Hi-tech industry will get a 10% tax exemption for 15 years, continue to receive special tax benefits for the next 13 following years. Moreover, enterprises will also enjoy preferential tax on exports and imports.

# Viet Nam Business Council for Sustainable Development (VBCSD)

- Established on December 17, 2010 in Hanoi, VBCSD is a business-led organization committed to sustainable development in Vietnam
- VBCSD is a member of Regional Network of World Business Council for Sustainable Development (WBCSD - an alliance of BCSDs in 61 countries or regions)
- Total number of members to date 45 (19 official members, 9 associate members, 15 observing members, and 2 honorary members)
- 4 groups of activities: Communication and awareness-raising, Training, Research, International cooperation
- Funding sources: membership, state budget (small portion) and cooperation programs with different partners, members.





**THANK YOU**

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