

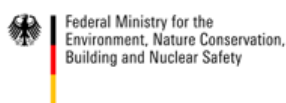


CLEAN ENERGY INVESTMENT ACCELERATOR

The CEIA is co-led by the **World Resources Institute (WRI)**, **Allotrope Partners**, and the **National Renewable Energy Laboratory (NREL)** working across emerging markets, including Vietnam, the Philippines, Indonesia, Mexico, and Colombia.



The CEIA is supported by key partners, including:



Work centers on three essential elements to mobilizing finance for clean energy at scale

Opportunities for and Benefits of Corporate Procurement

- **Opportunity**

- Over **200 multinational corporations have committed to go 100% renewable energy** through the RE 100 platform. Many other corporates, including regional and national suppliers and other companies also have significant clean energy goals.
- To meet just the RE 100 company goals, it will require **100 GW of new solar and wind and \$100 Billion in investment by 2030.**
- Corporates want to be able to **buy the renewable energy on the same grid** where they have their facilities

- **What is Corporate Procurement**

- Corporate procurement primarily describes procuring renewable energy **generation together with the environmental attributes.**
- Corporate procurement can take the form of **onsite solar or offsite solar or wind through power purchase agreements, utility green tariffs, or utility green pricing.** Secondary approaches include investing in projects, buying Renewable Energy Certificates, participating in community solar projects, etc.

- **Benefits**

- Corporate procurement can **mobilize investment towards NDC priority areas** in clean energy
- **Reduce the burden on utilities to invest in new generation capacity.** This is especially important in markets with quickly growing demand.
- **Ensure that companies are able to meet their sustainability targets,** which can affect their choice countries where they maintain operations.



POWERING VIETNAM'S CLEAN, SMART, AND SECURE ECONOMIC GROWTH

NGUỒN ĐIỆN CHO TĂNG TRƯỞNG
KINH TẾ SẠCH, AN TOÀN VÀ THÔNG MINH
TẠI VIỆT NAM



Vietnam



Vietnam: Identifying Sectoral Approach

Focusing on energy subsectors identified in Vietnam's NDC, Renewable Energy Development Strategy (REDS), Green Growth Plan, and other national policies

- Goal is to reduce greenhouse gas (GHG) emissions 8% by 2030 (Energy = Key mitigation sector):
 - With international support, goal increases to 25%.
- REDS: “increase the electricity output produced by renewable sources from approximately 58 billion kWh in 2015 to 101 billion kWh by 2020, and 186 billion kWh by 2030”

Key stakeholders:

- **Government:** Electricity and Renewable Energy Agency, Ministry of Industry and Trade (MOIT), Ministry of Planning and Investment
- **Development partners:** USAID, GIZ, GGGI, Partnership for Growth
- **Industry partners:** Renewable Energy Buyers Alliance, various multinational companies, developers, investors, industrial parks

Challenges

- Rapidly increasing electricity demand driven by economic growth; limited ability by state-owned utility to meet all investment directly; rapidly changing policy environment

Sub Sectors



Vietnam:

Examples of Progress to Date

Decision-makers developed specific investment mobilization measures for priority sectors

- Provided key technical input and market intelligence for **Rooftop Solar (RTS) Study for Vietnam's Electricity and Renewable Energy Agency (EREA)** in partnership with USAID's Vietnam Low Emissions Energy Program (V-LEEP). Study, informed by stakeholder interviews, is intended to help EREA understand existing barriers to investment in RTS, conducts: 1) Market, regulatory, and policy analysis; 2) SWOT analysis; and 3) case studies.

Pipeline for investment in specific priority sectors developed and expanded:

- **Supported AMATA Industrial Park with 100 kW RTS project.** Developed Request for Proposals (RFP) including technical requirements and bid procedures based on site and needs assessments. CEIA advised on bids and supported a final purchase decision.
- **Developed RFPs** for Unilever for purchase of ~1 MW RTS system; for Hansoll Textiles for a multi-site, multi-MW aggregated RTS procurement; and for DEEP C Industrial Zones for a 2 MW RTS system (plus assessed bids)
- **Developed Memorandum of Understanding (MOU) and workplan with Global Green Growth Institute (GGGI)** to collaborate on design of an innovative lending facility with domestic lenders to increase and improve project finance debt for RTS investments.

Relevant actors scale up and scale out innovation from emergent practice

- Presented on CEIA business model and capabilities at **Partnership for Growth (P4G) Summit**, met with project partners and investors on policy improvements, and provided inputs on the enabling environment for high level dialogues with Prime Minister of Vietnam.
- **Developed self-screening tool** for potential C&I buyers seeking to assess project viability at their facilities.
- **Developed publicly-available RFP template** to enable corporate energy users to conduct organized and clear competitive procurement for aggregated clean energy solutions.

Vietnam: Learning

Onsite renewable energy generation for self-consumption:

- Retail and net metering tariff structures encourage onsite RTS systems **sized exclusively for “self-consumption”** for commercial customers
- **Difficult to license and permit** RTS systems larger than 1MW, meaning full roof space of industrial facilities is rarely maximized.
- **Lack of market information** limits ability to implement and scale onsite RE projects

Offsite renewable energy generation for self-consumption:

- **Offsite power purchasing is not currently available** to corporate buyers, but offsite solar and wind are set to become a new corporate RE procurement option in 2020 through a direct power purchase agreement (DPPA) pilot program that enables private IPPs and industrial power users to transact directly.
- **Wheeling is not allowed:** Using grid to wheel power from independent power producers to corporate off-taker isn't permitted. EVN and subsidiaries are only legal power purchasers.
- No nationally-sanctioned RECs market exists. Only very few private RECs deals to date.

Backup Slides

Vietnam: Emerging Opportunities

PURCHASER ENGAGEMENT

- Disseminate market knowledge, **guide buyers through procurement process**, and facilitate onsite RTS pilot projects to facilitate new aggregated procurement models for single buyers across multiple sites, multiple buyers, and industrial parks.

POLICY ENGAGEMENT

- Continue to **bring corporate voices into policy process** to demonstrate demand, convey barriers, and promote balanced policies that improve investment.
- In collaboration with USAID V-LEEP, work to **support implementation of the direct power purchase agreement (DPPA) pilot**, review, and revisal and ultimate implementation of the full regulation for offsite procurement

REPLICATION AND LEARNING

- Continue CEIA working group (Previously “REBA Working Group”). **Brings together over 50 C&I companies (140+ representatives)**, developers, investors, and government officials to educate on procurement options, business models, lessons learned, and new regulations and policies.
- Develop a **Vietnam corporate buyers’ guidebook** and issue a **market assessment brief**