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CURRENT SITUATION AND CHALLENGES IN ENERGY EFFICIENCY S&L POLICY DEVELOPMENT IN VIETNAM

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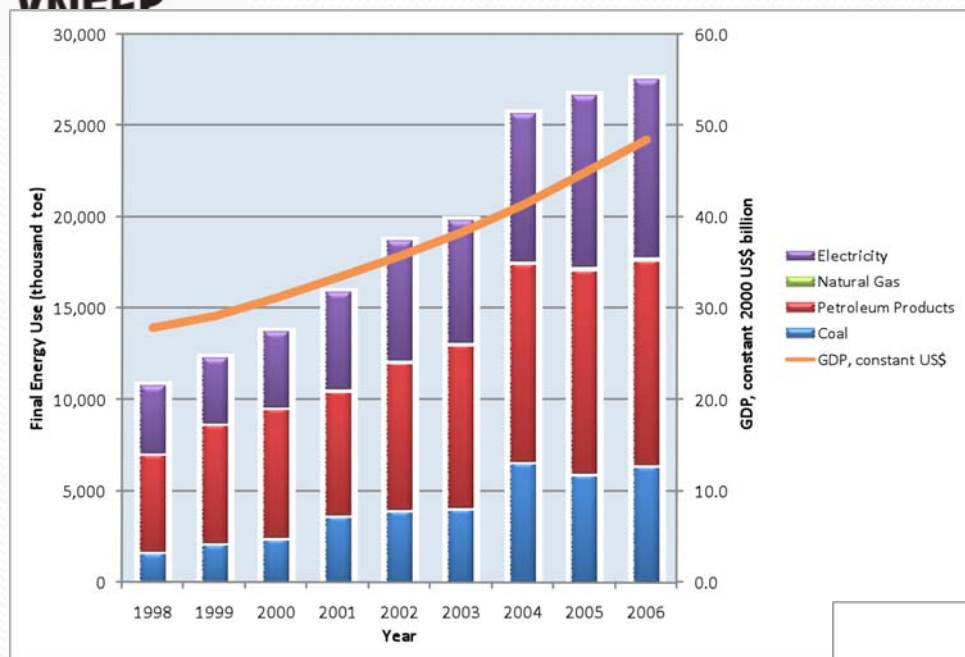


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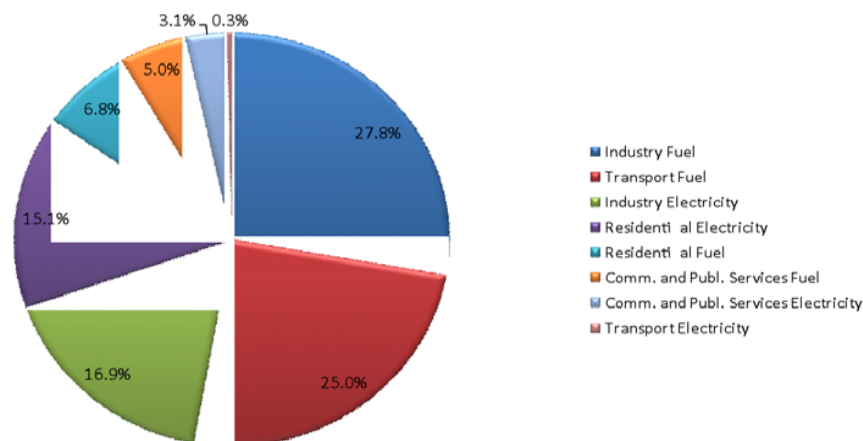
1. CURRENT SITUATION ON ENERGY CONSUMPTION IN VIETNAM



Commercial energy consumption end of Vietnam in 1998 only about 10.8 million Toe, increased to approximately 24.2 million in 2008 Toe

- The average growth rate of 12.4% per year
- Elastic energy coefficient is 1.7

Rate of electricity use in the field of approximately 43% of electricity demand in Vietnam and accounts for the largest share of total final energy demand in Vietnam, about 23%





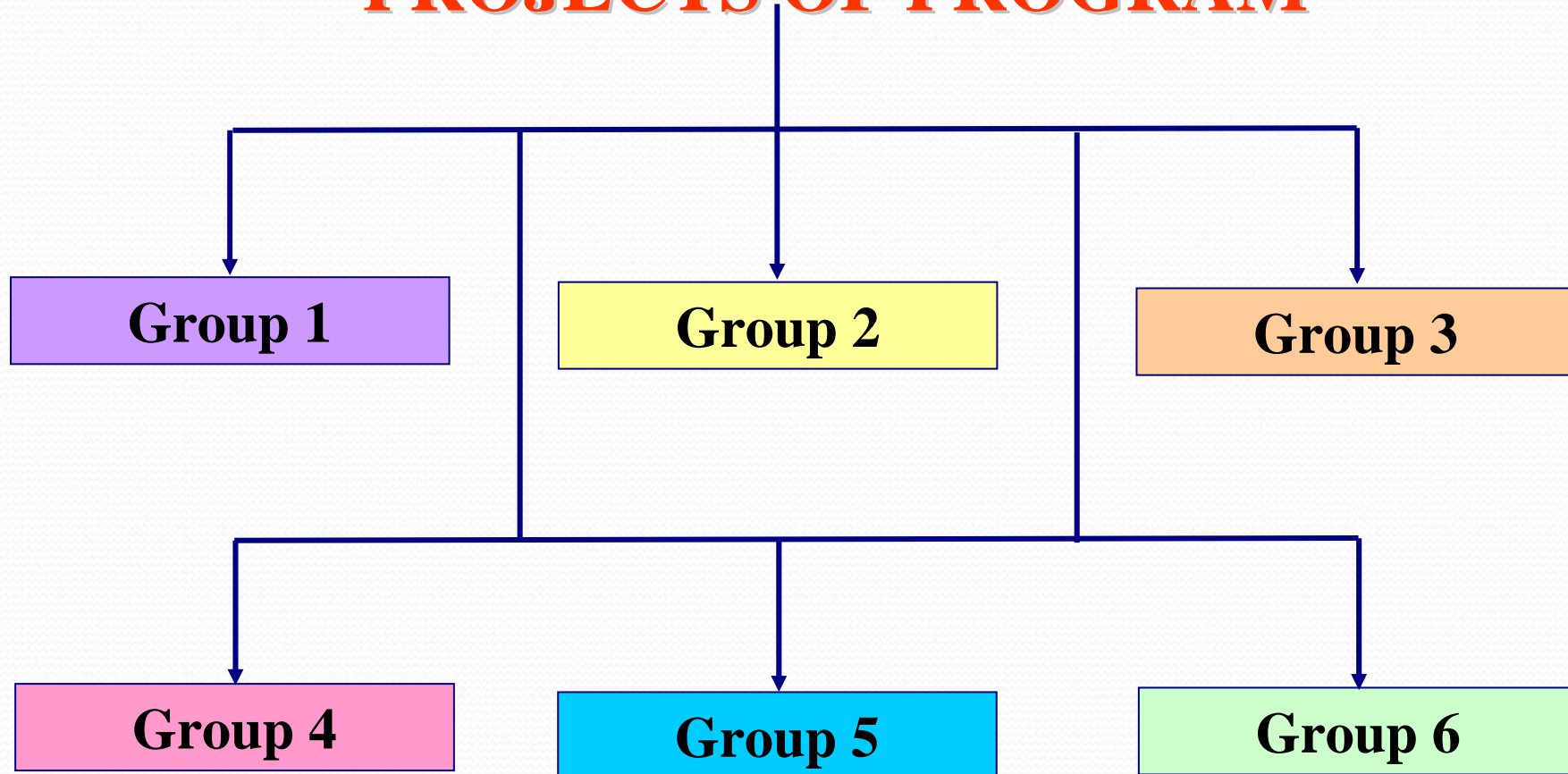
2. CURRENT SITUATION ON EFFICIENCY STANDARDS AND LABELING RELATED POLICY IN VIETNAM

National target program on energy saving and efficiency in decision of approval 79/2006/QĐ-TTg on 14 April 2006 of the prime minister with purpose:

- Energy saving 3% to 5% in 2006 -2010;
- 5% to 8% in the term of 2011 to 2015



PROJECTS OF PROGRAM



GROUP 3

Development and dissemination of high-efficiency equipment, energy saving, phasing out of inefficient equipment

Project 5:

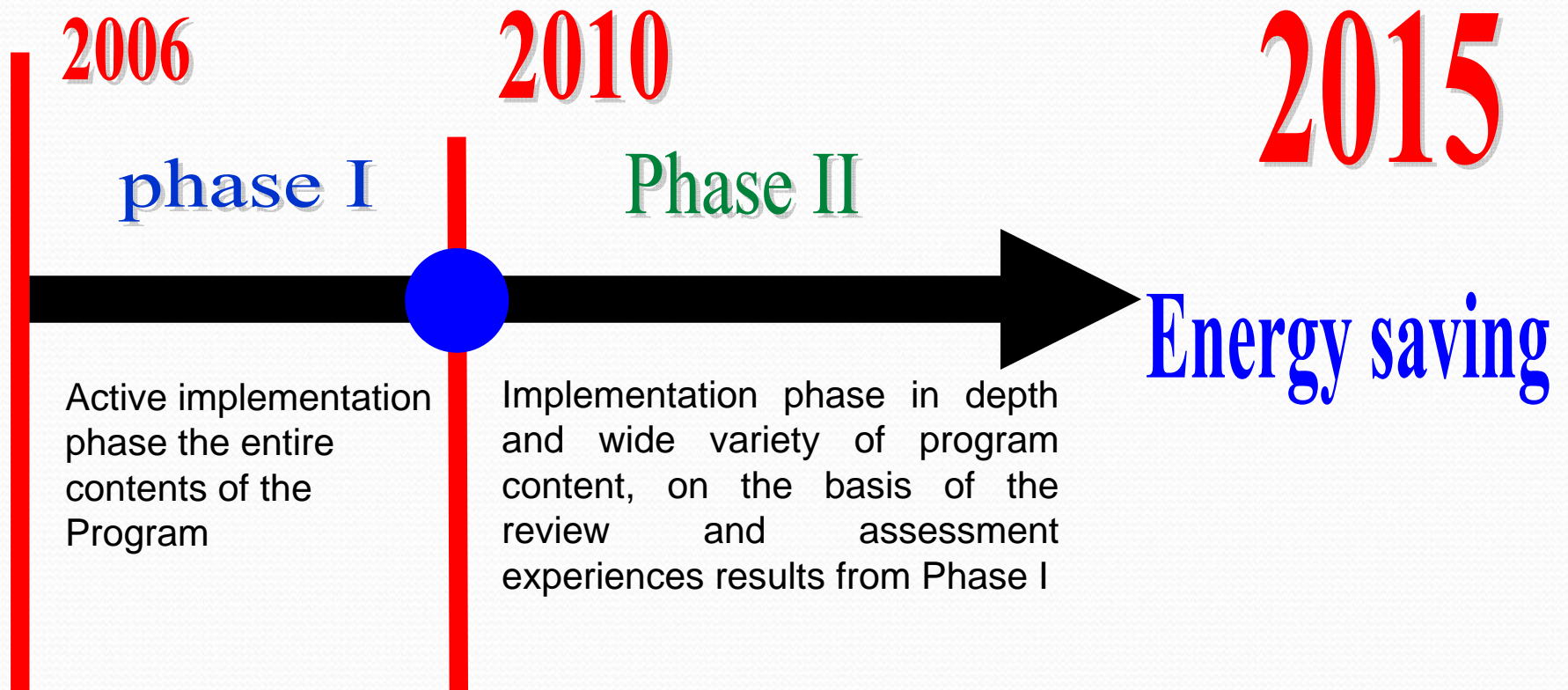
development of standards and certification labeling on selected energy saving products

Project: 6

Technical support for domestic manufacturers to comply with energy efficiency standards



- national target program on energy use and efficiency savings are made from 2006 to 2015, divided into 2 stages





3.PROGRAM STANDARDS AND ENERGY EFFICIENCY LABEL ENERGY SAVING PRODUCTS



Policy base for labeling activities



- ✚ Law on efficiency and conservation energy use on 17 june 2010
- ✚ Decree 102/2003/NĐ-CP on 03 sep 2003 of government on energy efficiency (define, energy consumption label)
- ✚ Decision 79/2006/QĐ-TTg dated 14 april 2006 of prime minister approved national strategy program for energy efficiency (national target program)
- ✚ Circular 08/2006/TT-BCN dated 16 November 2006 of ministry of industry and trade on procedure for labeling the energy saving products.



Standards Installation and application

- ✦ Apply on standards of minimum energy consumption norm (MEPS)
- ✦ There are highly differentiated between the products of high energy efficiency compared to products of energy-consuming a lot.
- ✦ Construction standards in line with the conditions of technology and economics of production and import enterprises in Vietnam today.
- ✦ Time to review criteria: 03-05 years based on actual conditions



Energy efficiency standard

- ✦ 2006: Fluorescent lamp T5, T8; Electronic Balast ;3-phase Motor
- ✦ 2007: Air-Conditioning, Fan, Refrigerator
- ✦ 2008: CFL, electronic balast, water heater, headlight illumination
- ✦ 2009: solar energy water heater, electric cooker, lighting products
- ✦ 2010 (planned): Washing Machine

TESTING UNIT

MOIT

Special ability



Inspection, evaluation



Testing capacity energy consumption index

Having test staff properly trained on energy technology at the college level or higher and at least two years experience for testing

Leadership laboratory have graduated college or higher level of energy engineering at least three years experience for testing.

Testing equipments and standard

Laboratory equipment to ensure good operation, maintenance, testing, properly calibrated accordance with the full precision to perform the test criteria

Adequate equipment and test methods in accordance with the testing standards in Appendix 1 of this Circular and other standards prescribed by the Industry Ministry added in each period

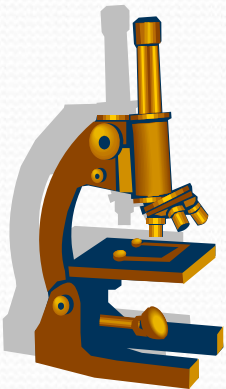
Documents on standards and testing procedures must be made in Vietnamese

The laboratory is not certified by the standard system VILAS



the functional perform energy use products testing to label energy saving

Installation and maintain documentation management system

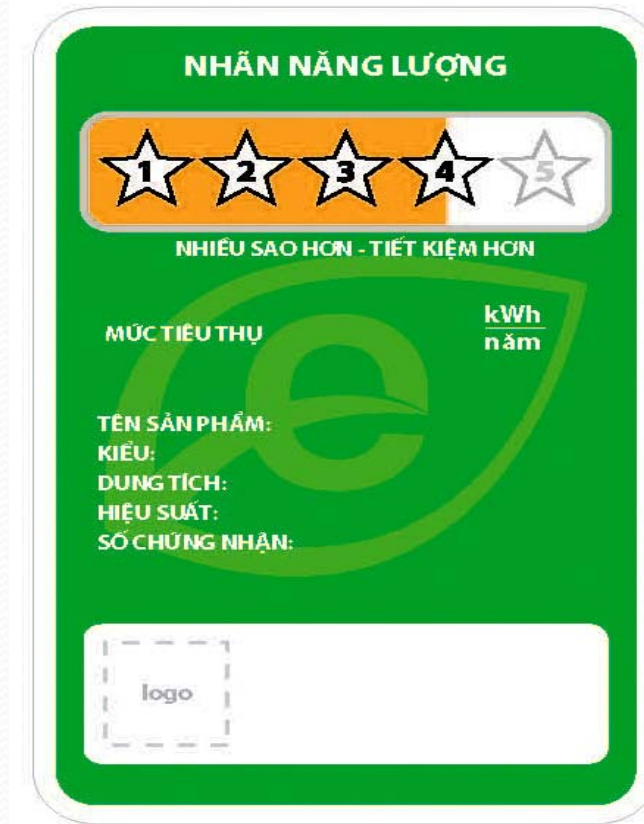


Existing laboratory

- ❑ **Lighting products**
 - 06 Lab
- ❑ **Three-phase asynchronous motor**
 - 03 Lab
- ❑ **Electric fan products**
 - 0513 Lab
- ❑ **Air conditioners and refrigerators**
 - 02 manufacturer's Lab
 - 02 under construction
- ❑ **Water heater**
 - Lab 02
- ❑ **Other products**
 - Non define



Energy saving labeling sample



Energy saving labeling in Vietnam

- ❑ Certification label to save energy
 - It is the product labeling of goods circulated in the market when these products have energy consumption levels meet or exceed the standards set by the competent authorities. Affixed to the products in the top 20-25%.
 - Energy saving certification label use a lot in Japan, China, the United States. -- Voluntary .
- ❑ Brand on comparing energy savings
 - It is the product labeling of goods circulated in the market to provide consumers know the information to compare the energy consumption of the product is labeled as compared with the same products on the market.
 - Provide the comparable information, pressure information to customers for the product energy efficiency is low. Used in most countries around the world: Thailand, India, EU, Australia, China, Korea ...
 - Mandatory

Certification and labeling

- ✚ Testing
 - Test results are certified by the standard laboratory (ISO 17025 or the system IECEE Schemes ...)
- ✚ Evaluation and Certification
 - Ministry of Industry and Trade
- ✚ Labeling
 - Manufacturers / importers in accordance to the label affixed to the product
- ✚ Check
 - Enterprise periodically 6 months per one time send reports to the Ministry of Industry and Trade on situation of production / consumption of labeled products.
 - Ministry of Industry and Trade to conduct periodical inspection of randomly labeled products on the market

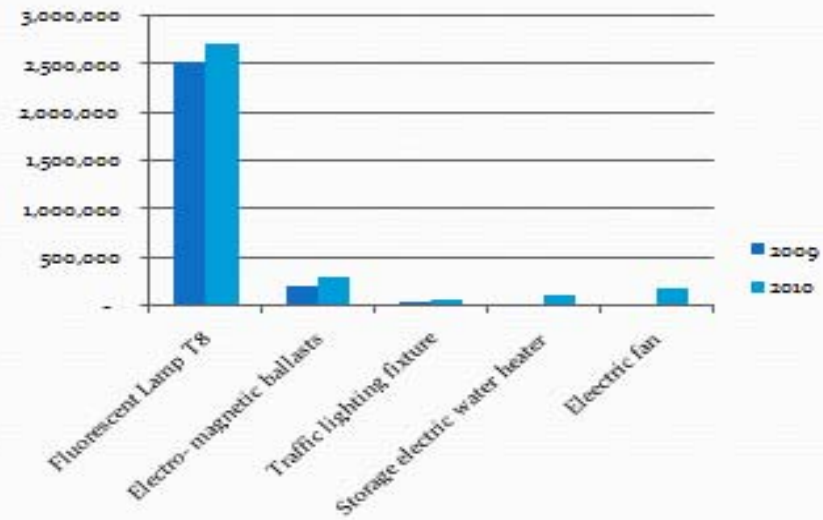
Labeling activity results

□ Labeling Implemented results

- 2007 - 2009:
 - fluorescent lamp T5, T8
 - Electromagnetic Balast
 - Street lighting head light
 - Three – phase asynchronous motor
 - Reviewing the results of a pilot project on the construction program product labeling on air conditioners and refrigerators
- 2010
 - To review the regulation on the order, procedures for labeling, new label design contest.
 - Announced the organization of the labeling for new products (electric fans, CFL lamps, electronic ballasts)
 - Results tagged on deployment

Current labeling activities in Vietnam

Title	2,009	2,010
Fluorescent Lamp T8	2,500,000	2,700,000
Electro- magnetic ballasts	200,000	300,000
Traffic lighting fixture	50,000	60,000
Storage electric water heater		120,000
Electric fan		180,000



Three manufacturers archived energy star certificates



- On 8 September 2010, MOIT launched the labeling of Vietnam energy star.
- Certificated energy saving products for compact lamp of Dien Quang Lighting company, Rang Dong Light Source & Vacuum Flask Company, Phillips Lighting company.



4. CHALLENGES IN ENERGY EFFICIENCY S&L POLICY DEVELOPMENT IN VIETNAM

- Amount of equipment increases quickly each year ;
- Circular is not suitable for current situation;
- Not have priority mechanism for enterprises to have energy saving labeled products;
- Awareness of public on labeled products compare with no labeled product not enough.
- Enterprises is lack of information on S&L policy and benefit from that job;

Number of devices on the 100 households in 2002 and 2009

Equipment	2002	2009
● Incandicent lamp	93,58	99,86
● Fluorescent lamp	497,76	609,24
● Compact	9,55	219,86
● Air conditioning	55,73	69,18
● Freerer	67,22	124,26
● Cook ricer	71,20	116,12
● Washing machine	27,86	68,84
● Pump	22,69	47,46
● Microwave oven	1,34	20,65

5. THE ACTIVITIES SHOULD ENHANCE THE IMPLEMENTATION OF LABELING PROGRAMS IN THE FUTURE

- Early label organization compare energy saving products for air conditioners and refrigerators.
- Continue to promote the organization of the product labeling for lighting, water heaters and electric fans.
- Completed and submitted to the Prime Minister issued Roadmap labeled energy and energy efficiency labels in 2015.
- Consider amending and supplementing Circular 08/2006/TT-BCN to better suit the actual conditions.
- Accelerate the development and promulgation of the energy efficiency standards for household products, striving to build products for office equipment.
- Media advertising for labeled products.
- Formation mechanism of priority on equipment procurement in budget to have the energy saving labeling
- Developing a mechanism to incentives for labeled energy-saving products

Benefit from labeling

- Self-promotion for the company products
- Benefit from programs to promote products tagged with overall national target program
- The national target program is planning to build your own web pages for labeled products in 2010.
- The national target program is also continuing research and recommendations issued mechanisms, priority policies to encourage energy-saving labeling product.
- The procurement of public lighting products to prioritize energy-saving products are labeled energy saving (Decree 79/2009/ND-CP)
- Ministry of Finance and Ministry of Industry and Trade is coordinating the construction documents to the priority purchase of energy-saving devices are labeled for public procurement.
- Some localities have defined priorities for the purchase of energy-saving devices tagged.
- Get familiar with the labeling of energy, Energy saving label will perform Compulsory after the energy saving and efficiency law is effected.



Object of labeling program

1. Group for home appliances: refrigerators, air conditioners, washing machines, lamps and lighting equipment, fans, rice cookers, water heaters, televisions, microwave ovens, vacuum cleaners, water pumps, table is, and the appliances consume more energy.
2. Group for office equipment and trade: Computers, computer monitors, central air conditioning, refrigeration cabinets sales ... and other devices consume more energy.
3. Group for industrial equipment: motor, three phase transformers, industrial fans, centrifugal pumps, industrial sewing machines,
4. Group for devices that use new energy and renewable materials: water heating equipment using solar energy, these devices use gas, glass, windows, roofing, sheet materials, other items materials, energy-saving accessories



Implemented plan

	2010	2011	2012	2013	2014	2015	2020	2025
Update standards	█	█		█	█	█	█	█
Move voluntary to compulsory			█					
Move the certificated labeling to compare labeling wide target		█	█	█	█	█		
Technical suport								
Market survey and database (including update)	█	█			█	█		
		█	█	█	█	█	█	█



Labeling roadmap



6. CONCLUSION

- It will be many jobs to do until 2013 because all products must label at that time.
- All energy consumption products is higher than standard, it will be not use.
- Enterprises take part in the label program to get more benefits at present and in the future.
- Customers can be identified labeling products and no labeling products.



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Thank you for your attention!

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