

SEA of National Power Development Plan, Vietnam

Source: NCEA (2012)

The Plan: The National Power Development Plan VII provides a long-term strategic framework to guide the development of the power sector. It analyzes future economic and social development trends, summarizes energy requirements, and evaluates the costs and benefits of preferred supply options. PDPs had no systematic accounting of environmental and related social costs, a focus on a narrow energy mix with limited consideration of renewables other than hydro, and little consideration of demand-side management.

Approach to the SEA: In 2005, SEA became a legal requirement. The SEA for PDP VII was a joint responsibility of the Ministry of Industry and Trade (in charge of PDP), the Institute of Energy (subsidiary to MoIT, implementing the SEA), the Ministry of Natural Resources and Environment (appraises the SEA), and the Prime Minister's Office (issues the final decision on SEA and PDP).

Main accomplishments of the SEA, embedded in a longer-term learning process:

- (i) This is the first SEA making extensive use of transparent, quantitative analysis using spatial analysis (zonal statistics) and monetization of impacts (value transfer method).
- (ii) It is the first SEA to look at the complete energy mix—valuation and comparison of all supply and efficiency options—rather than only looking at individual energy sources.
- (iii) From an initial strong focus on thermal power located in populated areas and a shift from oil to coal, during the closely coordinated planning and assessment process the PDP moved towards more ambitious energy efficiency and renewable energy targets (predominantly small HP), emphasizing the need for power source-specific mitigation and compensation measures (such as environmental water releases for HP projects).
- (iv) Building on the SEA for the PDP VII, the revision of the PDP VII (3 years after PDP VII) resulted in even more ambitious energy efficiency and renewable energy targets (additional reduction of 22,000 MW coal-fired power plants and 7-fold increase in renewable energy targets compared to PDP VII).

Additional lesson: The contributions of the SEA of the PDP VII should not be viewed individually but as a result of a decade-long engagement with conceptual and technical support to IoE and MoIT. This yielded results and influenced the PDP in ways that would not have been possible if this was treated as a one-time, stand-alone SEA exercise only. Continuous engagement over a period of 10 years meant that the national agency was truly owning and independently implementing the SEA.