

### Newsletter

### 2nd 2015



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Dear my Colleagues,

First of all, I would like to thank you for your dedication during the year 2015. We often say "let's try with all our best and the best result will come" and YOU ALL DID IT. Congratulation.

In this edition of our newsletter, let me show you the magnificent achievements that we has gained during the final six months of the year 2015. Our pigeon – CSU team has harvested several big deals with global organizations and local ministries such as World Bank, JICA, Deloitte, Vietnam MOC, MPI, MOIT. EMS team has gained a firm position in Energy Audit field . The backbone of company - ADM team has had a lively year with remarkable event of moving office to another fancier building in last two weeks of the year 2015.

Now, let's enjoy this edition to see the more details of our overall business performance.

We are looking forwards to great and sustainable developments in years to come.

Happy New Year.

Managing Director

Nguyen Tuan Anh

**ADM News** 





#### **CSU News**

World Bank - VEEIE USAID - VLEEP

# Strategic Sector Study and subproject Pipeline Development for Improving EE with Intergrated Ozone and Climate Benefits – VEEIE – Food Processing Industry

Through international competitive bidding process, World Bank has selected RCEE-NIRAS for awarding a contract "Strategic Sector Study and Subproject Pipeline Development for **Improving** Eneray Efficiency with Integrated Ozone and Climate Benefits VEEIE Food Processing Industry".

The objective of this consultancy assignment is to assist in evaluating the Energy Efficiency potential and establishment of Energy Efficiency benchmarking for the food processing industry Vietnam. This assessment would, in turn, be used to build the pipeline of food processing industry subprojects for downstream financing through lending by the Participating Financial Institutions (PFIs) as part of The Vietnam Energy Efficiency Financing for Industrial Enterprises project (VEEIE).

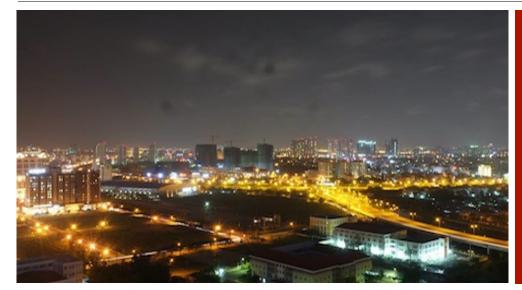
contract The will be implemented durina period 2015-2016 with several capacities building awareness raising workshops for stakeholders. RCEE-NIRAS has unique approach to eneray benchmarking. We include international expertise with local context to measure the gaps and potential for implementing energy efficiency for the sector. The lessons learnt by this help approach General Department Energy (GDE) to practically regulate and plan the energy efficiency policies in industrial sectors. RCEE-NIRAS has been involved in energy benchmarking for some key industrial sectors in Vietnam, recently: iron & steel, cement, pulp & paper.

RCEE – NIRAS has entered into contract with Deloitte Consulting for U.S Agency for international Development –led climate change initiative in Vietnam

November 2015, RCEE-NIRAS has entered into contract with Deloitte Consulting for U.S. Agency for International Development-led climate change initiative in Vietnam. Deloitte Consulting is awarded to provide support under the \$9.4 million contract which involves implementation of the Vietnam Low Emission Energy Program (V-LEEP) in collaboration with the state government.

The overall goal of USAID's climate change program in Vietnam is to increase adoption of approaches to achieve climate smart development and disaster mitigation. To achieve this goal, the purpose of V-LEEP is to strengthen the foundation for low emission energy systems in Vietnam through the following work components (1) Low Emission Strategy Development for the Energy Sector (2) Enhance Capacity and Improve Enabling Environment for Renewable Energy Development (3) Increase Energy Efficiency Adoption and Compliance.





Hanoi, 9/12/2015. RCEE-NIRAS was selected to implement Japan International Cooperation Agency(JICA)-assisted Project on Nationally Appropriate Mitigation Actions (NAMAs) in Ho Chi Minh City.

This work is a part of "Project to Support the Planning and Implementation of NAMAs in a MRV Manner". The purpose of the project is to enhance the capacity of the Government of Vietnam concerning the planning and implementation of NAMAs. RCEE-NIRAS and three other Japanese consulting firms have been selected by JICA to implement project activities in HCMC and other cities of Vietnam. The consulting firms will perform following tasks: 1) assist the establishment and enhancement of the capacity of the cities in Vietnam to continuously quantify GHG emissions and reductions, taking HCMC as a model city; 2) develop and recommend an MRV style applicable at the city level in Vietnam; and 3) promote the planning, implementation and management of NAMAs in Vietnam through the development and dissemination of materials to assist the capacity enhancement of the cities in Vietnam.

In 2006, the Prime Minister approved the Vietnam National Energy Efficiency Programme (VNEEP) for the period 2006-2015, a comprehensive plan to institute measures for improving Energy Efficiency and Conservation (EE&C) in all sectors of the economy of Vietnam. The overall aim of the programme is to secure energy savings of  $3-5\,\%$  during the period 2006-2010 (Phase One), and savings of  $5-8\,\%$  during the period 2011-2015 (Phase Two).

RCEE-NIRAS is conducting an analysis in order to systematically and accurately determine the reduction of energy consumption for the whole economy under the effects of the energy saving activities of VNEEP on the entire territory of Vietnam. The evaluation will be implemented for the target period 2011-2015. The results will be used to review VNEEP's specific objectives such as the total energy savings and energy intensity for energy-intensively industrial sub-sectors. The output of this assignment will be essential for VNEEP to design Business Plan for the next phase 2016-2020. The Consultant team will also provide the lessons learned and recommendations to the next phase.

#### **CSU News**

JICA – NAMAS HCMC VNEEP – MOIT

RCEE – NIRAS is selected to implement Japan International Cooperation Agency (JICA) – assisted Project on NAMAs in Hochiminh city

Evaluation of the Vietnam National Energy Efficiency programme (VNEEP)

RCEE – NIRAS consultant team has been selected to evaluate the overall impact of the Programme.





#### **CSU News**

VGGS- MPI – 3 provinces Legal basis on Energy Statistics" Workshop

RCEE – NIRAS team has been selected to provide logistics for workshop organization.

## Development of green growth action plans at provincial level for Ha Tinh, Ninh Thuan and Binh Thuan

Under the current cooperation program, Belgium is supporting the Vietnamese Ministry of Planning and Investment (MPI) and the Vietnam Green Growth Strategy (VGGS) with the VGGS Facility project. The specific objective of the project is to set up a facility that shall finance "green" activities selected through a call for proposals mechanism and to support low-carbon pilot projects in the 3 provinces (Ha Tinh, Binh Thuan and Ninh Thuan).

RCEE-NIRAS consultants has teamed up with CEGR to implement the assignment: Development of Green Growth Action Plans at provincial level for Ha Tinh, Ninh Thuan and Binh Thuan. The objective of the consultancy is to elaborate the National Green Growth Action Plan (GGAP) of the 3 provinces of Ha Tinh, Binh-Thuan and Ninh Thuan, based on the marginal cost abatement curve (MACC) approach and templates provided by the MPI. The assignment is forecasted to be finished in December 2015

#### "Legal basis on Energy Statistics" Workshop

The workshop was organized in its Hanoi from 30 November 2015 -1 December 2015. The Workshop is the second phase of the joint work programme on energy data and statistics between Ministry of Industry and Trade (MOIT) and Internaltional Energy Agency (IEA), and gather around 100 representatives different governmental departments and agencies in charge of Energy and collection, the Development partners community, and civil organizations. society Participation from audience was excellent with numerous comments, suggestions and questions.

This workshop will pave the way for additional support provided by the Delegation of the European Union to Viet Nam (EUD) in the context of the implementation of its multiannual indicative programme 2014-2020 which focuses on supporting the Development of Sustainable Energy In Viet Nam

The workshop intends to:i) Present IEA analyses current energy data and statistics challenges from the phase fact-finding first provide mission and recommendations addressing these gaps; ii) international Share best practices on energy data and statistics collection and coordination; iii) Enhance the availability quality, and consistency of energy data and statistics in Viet Nam for use by policymakers project developers.



#### **CSU News**

WB- VEEIEs NAMAs Workshop



Projection of Emission Reductions for Potential Carbon Finance A long line with Vietnam Energy Efficiency Financing for Industrial Enterprises (VEEIEs) Project funded by the World Bank, a carbon finance program intended to be developed and the use of carbon finance could contribute to better access to financial resources for investment **RCEE** NIRAS's projects. consultant has been selected to carry out data collection and to develop methodology а estimation of emission reduction and energy saving in each of key industrial sectors for potentially development of a carbon finance program, and preparation

VEEIEs.

The objective of this consultancy assignment is to assist WB/MOIT to estimate and project reliable emission reductions through investment in key industrial sectors for a potential Carbon Finance Program, which can be implemented in parallel with VEEIEs, by collecting all available information, data on energy efficiency in the country; carrying out desk review reports, energy efficiency programs, energy auditing, and sectorial studies undertaken by donors and government agencies

Nationally
Appropriate
Mitigation Action
(NAMA) in Vietnam's
cement sector
Workshop, October
2015

In the framework of the Nordic Partnership Initiative Pilot Programme for Supporting Up-scaled Climate Change Mitigation Action (NAMA) in Vietnam's cement sector funded by Nordic Development Fund (NDF), Ministry of Construction (MOC) organizes this workshop to present the draft NAMA for cement sector to relevant ministries, organizations, international donors and to collect comments from participants for finalization of the NAMA proposal. The project's product will be the technical inputs for MOC to consider for next steps of integrating into the sectorial policies. MOC also expect the consensus with relevant ministries and organizations, attracting the technical, technology and financial supports from international donors and developed countries for the implementation of NAMA for cement industry.

The workshop was organized on 14 October 2015 in Hanoi with 80 participants from Ministry of Construction, International Advisory Group, relevant ministries, Institutions and Associations, donors and international programmes, cement enterprises, energy efficiency services providers, Consultant team and media.





#### **EMS News**

En - Audit activities

Under the framework of the project "Assessment of Energy Saving Potential in the Pulp and Paper Industry in Vietnam" funded by The World Bank (WB), RCEE-NIRAS in collaboration with Energy Conservation Research and Development Center - ENERTEAM has assessed the energy efficiency in the pulp and paper industry, conducted the preliminary energy audit for 20 selected factories, evaluated and identified the energy efficiency potential. The result of this project to be used by international experts as the input data to develop the energy efficiency action plan, assess the cost-effective of the proposed improvements and suggest goals for energy efficiency improvements.

Up to now, RCEE-NIRAS has surveyed 10 out of 20 selected factories, namely: (1) Huynh Duc Paper Factory (2) Diana Bac Ninh JSC, (3) Lam Son Thanh Hoa Paper JSC, (4) Thanh Long Paper JSC, (5) Xuong Giang Paper Factory, (6) Bai Bang Paper JSC, (7) PP Paper Company, (8) Hapaco Dong Bac Co., Ltd, (9) Tissue Song Duong Paper Company, (10) Van Diem Paper JSC.

Assessment of Energy Saving Potential in the Pulp & Paper Industry in Vietnam.

The project's activities aims to enhance the awareness for the pulp and paper mills in reducing energy cost by sharing the energy efficiency information as well as good practices.

Nowadays, using biomass boiler is gradually become an inevitable trending. Studies showed that this technology helps not only increase the boiler's longevity because of not creating corrosive acids but also reduce 100% C02 emissions that caused environmental pollution..

VIPAGRO is an enterprise operating in the field of agriculture. The company's main operations are drying foods such as tea, ginger ... Currently, the company has one coal-fired boiler with capacity of 500 steam kilos / 1 hour.

After the process of surveying and studying, NIRAS Vietnam experts have worked with investor as well as biomass boiler supplier for some additional necessary items to meet the technical aspects and ensuring the criteria set by the project. Now, the project is in the process obtaining bank loan to replace coal-fired boilers by biomass boilers. The success of this project will create the premise for various similar projects in the future.

Assessment of the Project "Conversion Coal-Fired Boiler to Biomass Boiler at VIPAGRO

In December 2015, RCEE-NIRAS experts have assessed the project of converting coal-fired boiler to biomass boiler of Vinh Phuc Agro products and Packing JSC (VIPAGRO). This project is under the Technical Assitance programme - a cooperation between DANIDA and NIRAS





#### **EMS News**

En - Audit activities

Both of these two enterprises have been established since 1990's with about 20 years experience, their main products are traditional ceramic such as vase, dishes, cup, and pot

Assessment of the project "Conversion of Coal fired kiln into LPG fired kiln of Nguyen Van Lan private enterprise "

#### Assessment of the project "converting coalfired kiln to gas-fired kiln" at Kim Lan ceramic village

In July and October 2015, under the cooperation framework between RCEE - NIRAS and Danish International Development Agency (DANIDA) in providing Technical Service for Low Carbon LCEE EE financing mechanism, RCEE-NIRAS's experts have accessed the project of converting coal-fired kiln to gas-fired kiln at Kim Lan ceramic village.

After approaching the financing mechanism (FM) information from DANIDA, there are many private enterprises wished to apply into this support package, among which Mr. Vu Van Hung and Mr. Vu Duc Vinh are two private enterprises decided to propose the projects of converting coal-fired kiln to gas-fired kiln with the aim of increasing labor productivity, product quality as well as reducing environment pollution. After the pre-check program, NIRAS Vietnam experts have concluded that these two projects are completely feasible about technology as well as financing. Especially it can helps reducing CO2 emissions that effecting to the environment.

Currently, Vu Van Hung's enterprise has completed installing the gas-kiln and has been in the process of running test while Vu Duc Vinh's private enterprise is already in the process to obtain bank loan. Once they have enough necessary conditions, NIRAS Vietnam experts will implement the post-check to access the effective of the replaced gas-fired kiln. Base on NIRAS Vietnam report, DANIDA shall decide the compensation for these two private enterprises as prior commitment.

Under the cooperation framework between Niras Danish Vietnam and International Development Agency (DANIDA) in providing Technical Service for Low Carbon LCEE EE financing mechanism, RCEE-NIRAS experts have assessed project: Conversion of Coal fired kiln into LPG fired kiln of Nguyen Van Lan private enterprise at Group 7, Tien ward, Kim commune, Gia Lam district, Hanoi.

Nguyen Van Lan enterprise has been established since 1994 with over 20 years experience. Main products of the Enterprise is ceramic products such as decoration products, and vase.

Based on on-site visit's data, documents analysing, and experts' experience, the project does not only allow to save energy, it also allows to abate CO<sub>2</sub> emission. Calculation with proper adjustments reveals that the solution save 49.52% energy consumption instead of 54% as in the initial proposal.



#### **EMS News**

En - Audit activities



# PROGRAM AT CALOFIC'S FACTORIES

Under the framework of the energy audit agreement between Cailan Oil and Fats industries Company (Calofic) and RCEE- NIRAS, in August and October 2015 RCEE-NIRAS's experts has just conducted the audit program at Calofic's factories: Calofic Nha Be & Calofic Quang Ninh.

The purpose of the energy audit program is to assess the energy consumption situation of the factory and find out the energy efficiency methods that can be applied to reduce energy consumption and products' cost. Through the audit program, the expert team has reviewed most production and consumption devices of the factory, measured and quantified the energy consumption of each device and process. Basing on the audit result, RCEE-NIRAS experts have proposed 3 groups of energy efficiency solutions as follows:

Cai Lan Oils and Fats Industries Company (CALOFIC) is a joint venture between Vietnam Vegetable Oils Industry Corporation (Vocarimex under Ministry of Industry and Trade) and Wilmar Group, Singapore, Founded in 1996 with an initial investment of USD 22 million, now increasing to USD 138 million. CALOFIC has two factories in Quang Ninh and Ho Chi Minh City, two branch offices in Hanoi and Ho Chi Minh City with nearly 1,000 employees nationwide. CALOFIC has become a popular trademark in Vietnam with its well-known vegetable cooking oil brands including Neptune

1:1:1; SIMPLY; Meizan; Kiddy;

Cai Lan.

#### Non investment solution:

- Enhance the staffs' awareness
- Energy management guiding

#### Low investment solutions:

- Connecting the high pressure compressor in to central compressor cluster
- Reducing bottom discharge by the auto controller.

#### **High investment solution:**

- Establishment of the energy management system
- Retrieving high pressure compressed air.
- Handling of deposits layers in the boiler by ultrasonic waves

The Energy Audit report as well as recommendation solutions has been highly appreciated by the factory's technical experts and they will ask for more professional consultation from RCEE – NIRAS experts for further investment decision.





**ADM News** 

Administration unit has collaborated closely with other units for administration support and financial issues, and also successfully organized several company events and activities.

In July, summer holiday was organized at Da Nang - Hoi An, the most famous relaxing destination of Vietnam as the company retreat to all staffs. We have had a wonderful period to burn energy and refresh ourselves. In December, September and two net-working events was successfully organized with attendances of many

important partners, clients, and collaborators. Those are the interesting chances for us to motivate and catch up with our business relationships. In December, ADM team has marked a good effort by finalizing a new office space rent contract, moving our office to a fancier building, closer to city center and ministerial offices. Our new office is located on the 9th floor of a modern building with more views, sun lights, fresh air and hopefully will bring us more energy, and motivation for a prosperous new year.

NIRAS Vietnam (RCEE-NIRAS) is part of the NIRAS Group. The main company is NIRAS A/S with over 1200 employees. NIRAS A/S is a large international consulting engineering company with main office in Denmark. The company was founded in 1956 and since then has expanded through natural growth and acquisition of other companies. NIRAS today consist of 28 Business Units, specialised in Environmental Services, Climate Change and Energy, Water Supply and Treatment Management, And one Business Unit NIRAS International Consulting, which focuses on consulting services in the development aid sector. NIRAS has offices in 15 countries around the world.

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