

United Nations Development Programme



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Resilient nations.*

Remarks by Dao Xuan Lai, UNDP Assistant Country Director

Date: Thursday, June 30, 2016
Event: Asia LEADS Partnership Regional Workshop on
“Mechanisms that Catalyze Finance for Grid-Connected
Clean Energy in Asia”
Venue: Sheraton Hanoi Hotel, 11 Xuan Dieu Road, Tay Ho, Hà Nội

Dr. Pham Hoang Mai, Director General of the Department of Science, Education, Natural Resources and Environment in the Ministry of Planning and Investment;

Mr. Trinh Quoc Vu, Director of the Department of Science and Technology, General Directorate of Energy in the Ministry of Industry and Trade;

Mr. Chris Abrams, Acting Mission Director of the U.S. Agency for International Development in Viet Nam;

Distinguished representatives from government, the private sector and civil society,

Members of the Asia LEADS Partnership,

Ladies and Gentlemen:

On behalf of UNDP, let me add my thanks to all of you for joining us at today’s regional workshop on catalyzing finance for grid-connected clean energy in Asia.

Renewable generation costs continue to decline in many parts of the world, further improving the cost effectiveness of renewable energy for power development progress. The renewable share of generation is expected to rise to over 26% in 2020 and renewable generation will reach a level more than today’s total combined demand of China, India and Brazil.

Renewables market is expanding strongly in Asia thanks to government policies. Thailand has successfully expanded development of solar energy in the past few years. The Philippines has recently accelerated development of solar energy by approving a total of 526 MW of solar projects eligible to receive feed-in tariffs. The Vietnamese Government adopted its renewable energy strategy in November 2015, is preparing an Action Plan, and is expected to issue Feed-in-Tariff for solar energy soon. UNDP is proud to continue to support our Government partners in these efforts.

These policies and actions are sending strong signals to investors that these countries are serious about shifting their energy mix towards cleaner energy generation and energy services.

These countries recognize that the renewables sectors can play a strong role to propel economic growth and green job creation, while at the same time helping to protect the environment. Renewables are also key sector to help countries achieve the targets set in their Nationally Determined Contributions (NDC) – both developed and developing countries.

In the context of preparing for the implementation of the Paris Agreement and achieving the Sustainable Development Goals (SDGs), particularly SDG 7 on increasing access to energy for all through increased deployment of renewable energy and energy efficiency, this regional workshop is very timely.

Ladies and gentlemen,

It is clear that the private sector, both domestic and international, is confident in the tremendous potential of Asia's renewable energy markets. However, in many countries, markets remain at the initial phase of development and face challenges and barriers related to market access, grid constraints, policy and market design, or the availability and cost of financing.

A number of countries in the region continue to make investments or subsidize an energy mix that precludes the scale-up of clean energy. These countries expect a future in which coal power dominates electricity supply as well as their greenhouse gas emissions, moving them in the opposite direction to the rest of the world.

Because the renewable generation cost continue to decrease, the high levels of incentives are no longer necessary for solar PV and onshore wind, but their economic attractiveness still strongly depends on the regulatory framework and market design. Thus, the attractiveness of renewables depends more on government willingness to maintain policy support and appropriate market design.

It is now time to adopt appropriate policies and concrete guidelines to encourage adopting electric transport, wind power, and solar photovoltaic rooftop installations such as the one on the Green One UN House here in Ha Noi, which reduce our electricity bills while protecting the environment.

I hope that this regional workshop will accelerate practical steps to advance the renewable energy future that all people across Asia desire.

Finally, UNDP appreciates our collaboration for this event with MPI, MOIT, the Asia LEDS Partnership, and of course our partners at USAID.

I wish you fruitful deliberations. *Xin Cam On.*