ENERGY TRANSITION PARTNERSHIP

2022 ANNUAL REPORT

14 PROJECTS IMPLEMENTED IN 2022

READ ABOUT OUR KEY RESULTS ACHIEVED IN 2022

UNOPS · AFD · Federal Ministry for Economic Affairs and Climate Action · Department for Business, Energy & Industrial Strategy · Environment and Climate Change Canada / Environnement et Changement climatique Canada · CIFF CHILDREN'S INVESTMENT FUND FOUNDATION · IKEA Foundation · WINDWARD Fund · SEQUOIA CLIMATE FOUNDATION

CONTENTS

The Southeast Asia Energy Transition Partnership (ETP) is a multi-donor partnership formed by governmental and philanthropic partners to accelerate the sustainable energy transition in Southeast Asia in line with the Paris Agreement and Sustainable Development Goals.

ETP DIRECTOR'S STATEMENT

Powering prosperity for sustainable growth in Southeast Asia

ETP joins its partners in welcoming the Just Energy Transition Partnership declarations in Indonesia and Vietnam. Also, the new administration in the Philippines has taken important steps to move toward the national renewable energy targets. However, fossil fuels still dominate the energy systems in the region. In light of the renewed commitments under the COP27 Nationally Determined Contributions, the net-zero emissions targets, and the Just Energy Transition Partnership's declarations, the hard work is ahead of us in turning the commitments into realities.

ETP was launched on 20 November 2020 to convene public and private partners to accelerate the energy transition in Southeast Asia. ETP is a programme of the United Nations Office of the Project Services (UNOPS), an agency of the United Nations and part of the UN family. Two years after its launch, ETP's membership has grown from the original 4 to 9 members. In 2022, ETP had 5 philanthropic and 4 governmental members, with its funding roughly split evenly between private and public members. ETP's diverse membership brings significant advantages: a broad network and reach, and a capacity to increase operations to scale.

In 2022, ETP implemented a number of pioneering initiatives to achieve the decarbonisation targets in Southeast Asia. Our flagship work includes support for the coal phase-down agendas in Indonesia and Vietnam, and grid readiness in Indonesia and the Philippines. In all three countries, ETP is embarking on carbon pricing and competitive energy market mechanisms and ETP places emphasis on energy efficiency as a grounding condition for energy transition. ETP is also establishing a much-needed focus on coordinating just transition work and taking action to support the ASEAN Power Grid integration to enable more efficient expansion of renewable energy in the region.

In 2022, ETP collaborated with 4 ministries and 2 commissions in Vietnam; 4 ministries and the national electricity utility in Indonesia; and 2 ministries, the regulator, the electricity market operator, and the grid concessionaire in the Philippines. ETP builds and expands partnerships at the programme level through collaboration. The G20 events in Indonesia and the COP27 in Egypt allowed ETP to further strengthen its partnerships.

In 2023, ETP will increase its operations to address the barriers to energy transition. The Partnership will make full use of the redoubled commitment of its funders as well as the extension of ETP's tenure to 2035. ETP's 2023 technical assistance aims at opening possibilities for public and private finance to flow to the energy transition investments. ETP will become bolder by its work assuming bolder pioneering positions, including through formulation of roadmaps and financing structures and amplifying transparency and coordination to maximise resources for and benefits from energy transition.

On the lookout for new partners, ETP will continue to capitalise on its alliances to advance the energy transition agenda to reach the shared goals of net-zero emissions from the energy sectors and achieve a green and clean Southeast Asia.

EXECUTIVE SUMMARY

ETP implemented 14 projects in 2022 to accelerate energy transition in Southeast Asia and to contribute to the achievement of the United Nations' Sustainable Development Goals and the Paris Agreement goals.

ETP focuses on Indonesia, the Philippines, and Vietnam as they are the most populous and rapidly growing countries, with the greatest carbon footprints in the region.

PROJECTS

Indonesia

- Detailed Design to Upgrade the Java-Bali Control Centre
- Study of the Financial Implications of the Early Retirement of Coal-fired Power Plants
- Pilot Guarantee Instrument for Access to Energy Efficiency Finance
- Energy Conservation Awareness in the Education Sector

Regional

- Energy Transition Roundtable
- Diagnostic Review of Barriers and Opportunities for Energy Efficiency Investments

Vietnam

- Roadmap for the Commission for Management of State Capital toward Net-Zero Emission in Energy State-Owned Enterprises
- Criteria for Survey Licensing for Offshore Wind Development
- Impact Assessment of EU's Carbon Border Adjustment Mechanism
- Legal Support to the Development of Power Generation Projects in Vietnam

The Philippines

- Philippines Battery Energy Market Mechanism Support Program
- Upgrading Energy Regulations for the Energy Regulatory Commission of the Philippines
- ESCO-in-a-box for Southeast Asia for a Super-ESCO
- Investment-Grade Audit Energy Efficiency Finance Program
- Philippines Grid Diagnostic and Roadmap for Smart Grid Development

US$ 3.16 MILLION CONTRACTED VALUE OF ETP PROJECTS IN 2022

AT A GLANCE

Indonesia

In 2022, ETP commenced an Assessment of the Financial Implications of Early Coal Retirement at the request of the Energy Transition Council/Friends of Indonesia Renewable Energy dialogues.

In 2023, this project will identify the financial and fiscal impacts of the early coal phase-down retirement plan, ranging from utility sustainability to macroeconomic implications. The project will also develop the government's asset-level coal phase-out roadmap, ensuring Just Energy Transition Partnership alignment and contribute to the Partnership's comprehensive investment plan.

In 2022, ETP completed a detailed engineering design for the Main Electricity Control and the Emergency Centres in Gandul, Jakarta. This control centre, operated by the national utility provider - Perusahaan Listrik Negara (PLN), is the country's main electricity dispatch centre that serves some 160 million people in Java, Madura, and Bali. The upgrade makes it possible for the control centre to safely integrate variable renewable energy and thus enhance viability of the renewable energy investments. The new control centre technology is under tender and is planned to be commissioned in 2024 with its new infrastructure.

In 2023, ETP will arrange for stakeholder events to develop a roadmap for grid readiness, chart the necessary grid investment upgrades, and review conducive arrangements mechanisms, including a new more flexible power purchase agreement. This will open opportunities for investment in Indonesia. Also, in 2023, ETP will review the government's energy sector plans, including the National Energy Policy, to enhance their coherence and synergies. ETP is embarking on a de-risking project to identify a roadmap for on-shore wind power development and advance the bankability of solar photovoltaic power projects. In Indonesia, ETP has expressed its capacity and availability to support the Just Energy Transition Partnership and its implementation processes, as required.

The Philippines

In 2022, ETP commenced an assessment of the transmission grid to determine the necessary technical upgrades and financing needs as well as to review the current governance structure, and transmission network management and investment funding for the benefit of the Department of Energy.

ETP has been supporting the Energy Regulatory Commission to review and revise the national grid codes and regulations. The modifications will create a more flexible regulatory environment for increasing variable renewable energy and smart grid technologies. New guidelines are also recommended to enhance the grids' efficiency.

ETP supports the integration of battery energy storage in the electricity spot market, facilitating a more stable grid with the influx of more variable renewable energy.

In 2023, ETP will focus on ensuring that these recommendations will be adopted by the government, and on strengthening the smart grid adoption to allow for the uptake of renewable energy in the country.

In 2023, ETP will also conduct an assessment of the special data survey and assess and address permitting issues to enable development of offshore wind power. The project will also develop financial structures to enhance the scale of current coal retirement opportunities in tandem with the development of associated renewable investment mechanisms.

In 2023, ETP will scale up efforts to close the gaps in implementing and investing in energy efficiency and conservation projects.

AT A GLANCE

Vietnam

In 2022, as an extension of its power sector's emissions reduction scenarios study completed in 2021, ETP collaborates with the Commission for Management of State Capital by developing net-zero roadmaps for state-owned enterprises and particularly their coal-fired power plants.

ETP also commenced a net-zero study for the energy sector in collaboration with the Department of Oil, Gas, and Coal of the Ministry of Industry and Trade to provide recommendations for the National Energy Master Plan implementation. This will support the transition of coal, oil, and gas industries to the declared objectives in the context of the Just Energy Transition Partnership Declaration.

In 2022, ETP also supported the Vietnam Administration of Seas and Islands of the Ministry of Natural Resources and Environment by addressing the offshore wind development needs through development of survey licensing criteria.

In 2023, ETP will develop assessments of carbon pricing, energy trading system development, green cooling and green finance opportunities through a series of interventions with the Ministry of Natural Resources and Environment and the Ministry of Industry and Trade.

Regional

In 2022, ETP built a partnership for the Just Coal Transition (JCT) Forum with the World Bank, the Powering Past Coal Alliance, and the IKI-Just Energy Transition Project; and for the ASEAN Power Grid Program with the Clean Affordable Secure Energy, ESCAP, USAID, and the ASEAN Center for Energy and ASEAN Secretariat.

In 2023, the JCT Forum will be formally established to convene the stakeholder communities, set up its learning academy, and develop and deliver a curriculum of learning events to familiarise the stakeholders with just transition issues.

In 2022, ETP funded 4 innovative grants for demonstration projects to unlock financing for energy efficiency investments.

In 2023, ETP will fund 2-4 more grants to gain considerable experience in the 3 markets focusing on how energy efficiency can become the ‘first fuel’ grounding for energy transition through the reduction of the carbon footprint.

In 2023, ETP aims to build more alliances and bring additional partners to its programmes in order to generate greater capacity and resources for the region’s stakeholders. ETP will continue to carefully coordinate with donors to identify additional funding opportunities to benefit coordination.

2022 KEY ACHIEVEMENTS

Strategic Outcome 1: Policy alignment with climate commitments

One policy recommendation

Analysis and suggestions on the retirement pathways for coal-fired power plants with respect to their financial implications to electricity, PLN and the Government of Indonesia

Five policy recommendations

Redefined Wholesale Electricity Spot Market regulations to enhance the competitiveness of the electricity market with the introduction of battery and energy storage systems The resulting energy storage allows for an increase of variable renewable energy into the grid and to pursue the 50% renewable energy target by 2040

Updated the Philippines Grid Code, enabling quicker and increased implementation of variable renewable energy projects

Updated distribution grid code to enable a transition to low-carbon energy systems

Small grid guidelines updated to allow for modern technologies to increase uptake of variable renewable energy

New system loss cap developed to improve grid efficiency, thereby reducing energy loss, electricity prices and greenhouse gas emissions

One policy recommendation

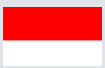
Recommendations developed for offshore wind development survey criteria, which unlock finance for investment in offshore wind in Vietnam toward the 10 gigawatts by 2030 target in draft Power Development Plan 8

Strategic Outcome 2: De-risking of investments in energy efficiency and renewable energy

One Investment Grade Audit

Completed one investment-grade audit project in the aviation sector (Lufthansa). The project has the potential to reduce energy consumption by 2.82 GWh, equivalent to 70 million tCO2e emissions

Strategic Outcome 3: Extending smart grids



One engineering design completed

Completed the detailed design for upgrade of the Java-Bali control centre to facilitate renewable energy integration capability, removing a physical barrier to enabling variable renewable energy in the Java-Bali energy system

Strategic Outcome 4:
Knowledge and awareness building

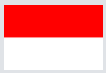
8 High-Level Conferences and dialogues organised as knowledge events to expand energy transition awareness
10 energy transition masterclasses for practitioners to gain a broader perspective on energy transition and international experience

10 deep-dive workshops about country energy transition barriers with key practitioners

2 policy dialogues: Energy Transition Dialogue 2022 and COP27 Policy Dialogue 2022

1 regional diagnostic study on barriers and opportunities for energy efficiency development

Overall, events held for a total of 776 participants, out of which 37% were women



17 coordination meetings and consultation dialogues with governmental agencies and stakeholders on measures to address energy transition barriers, including coal phase-down, financial constraints to early coal-fired power production retirement, sites and viability of wind power development, energy, and electricity planning and forecasting

These consultations resulted in 32 projects requested by the Government of Indonesia for further ETP consideration to develop the programme plan

2 technical trainings on new control centre design for PLN staff with 322 participants, of which 43% were women

Energy efficiency training for government officers, financial institutions, and project developers with 63 participants, 30% of whom were women

Consultation workshop with financial institutions to understand the barriers to financing energy efficiency projects. An output is a roadmap for addressing the identified financing barriers

Continuous dialogue and workshops among energy agencies to discuss policy recommendations

1 report on marine renewable energy options report and a webinar on the findings of the report. The report serves as a reference to encourage private sector participation in developing marine renewable energy

2 six-monthly donor round tables co-chaired with the Department of Energy and the UK Energy Transition Council

1 energy efficiency donor dialogue co-chaired with the UK Energy Transition Council

Consultation workshop on offshore wind development survey licensing criteria to unlock finance for offshore wind development

1 study on offshore wind development survey licensing criteria to provide recommendations for updating Decree 11 on the assignment of sea areas for marine and resource use

KEY MANAGEMENT QUESTIONS

The key Management Questions approach is used to monitor and report on ETP's achievements and progress on topics that fall outside of the Results-Based Monitoring Framework. These indicators aim to depict results over a period of time and include important activities of governance, coordination, outreach, and partnerships.

Efficiency 	***Is ETP making appropriate use of resources to achieve outcomes?*** Yes. ETP's funding has reached 62% (US$ 31 million) of the minimum pledge of US$ 50 million. The expenditure has more than doubled annually from US$ 84,115 in 2020 to US$ 1,637,399 in 2021 to US$ 4,245,590 in 2022. See Section 12 Fund Management for more details.
Effectiveness 	***Is ETP achieving the expected outputs and outcomes based on the Results-Based Monitoring Framework?*** ETP is identifying bold and pioneering technical assistance to open opportunities for public and private funding of energy transition goals, including greater deployment of energy efficiency and renewable energy technologies to decarbonise the energy sectors in Southeast Asia. See Annex 1 for ETP Theory of Change and Annex 3 for a list of ETP projects.
Coordination 	***Is ETP coordinating and aligned with other interventions being implemented in the region?*** ETP continues to develop alliances and partnerships as part of its business model. In 2022, ETP designed and collaborated on several interventions with its aligned programmes, conducting joint data collection and knowledge events. ETP arranged regular meetings with the Clean, Affordable, and Secure Energy and the Southeast Asia Clean Energy Facility to discuss planned interventions to reinforce their efficiency and effectiveness to drive energy transition outcomes and ensure effective coordination. See Section 15: Aligned Programs for more details.
Sustainability 	***Are the results of the projects scalable and likely to continue after the end of ETP's support?*** The energy transition is a long-haul sea change in the way economies are powered and supported by decarbonised energy. ETP's work is designed to open opportunities for public and private investments in the energy transition in view of the Paris Agreement Goals and the Sustainable Development Goals.
Managing Risks 	***Is ETP proactively identifying and managing risks?*** ETP is a risk-taking programme with a mandate to pursue bold energy transition to move to a net-zero emissions target. ETP is a go-to agency for pioneering efforts that enable trailing, testing and pursuit of political will for energy transition measures that generate new green jobs and reduce the impacts of greenhouse gas emissions from conventional energy sources. ETP manages various categories of risks with a focus on its capacity to implement and attain results, fiduciary control and transparency, and technical diligence. ETP's risk management tools are regularly updated and risks are mitigated to minimise any residual risk acceptance. See Section 23 for Risk Management.

SOUTHEAST ASIA DEVELOPMENTS

PROJECT JUSTIFICATION

The Southeast Asia region has seen rapid economic growth across the decades. The growth is accompanied by rapid population growth, predicted to increase to slightly over 800 million inhabitants by 2050, and regional Gross Domestic Product will more than triple to over US$ 11 trillion, increasing at a compound annual growth rate of 4.6% (IRENA 2022).

The rising trend in population growth demands more energy consumption, as reflected in the region's energy demand predicted to increase by 3% annually by 2050 (IRENA 2022).

Most of the Southeast Asian economies and energy systems are heavily reliant on coal-fired power production.

In the pursuit of low carbon futures, the economies in the region have published their enhanced climate goals in the context of the UNFCCC and energy goals in the national energy policies.

Indonesia has committed to achieving its Nationally Determined Contributions target of 31.89% reduction of greenhouse gas emissions by 2030 (and 43.2% with international support) and a renewable energy target of 23% in the Total Primary Energy Supply by 2025, identified in the National Energy Plan 2017.

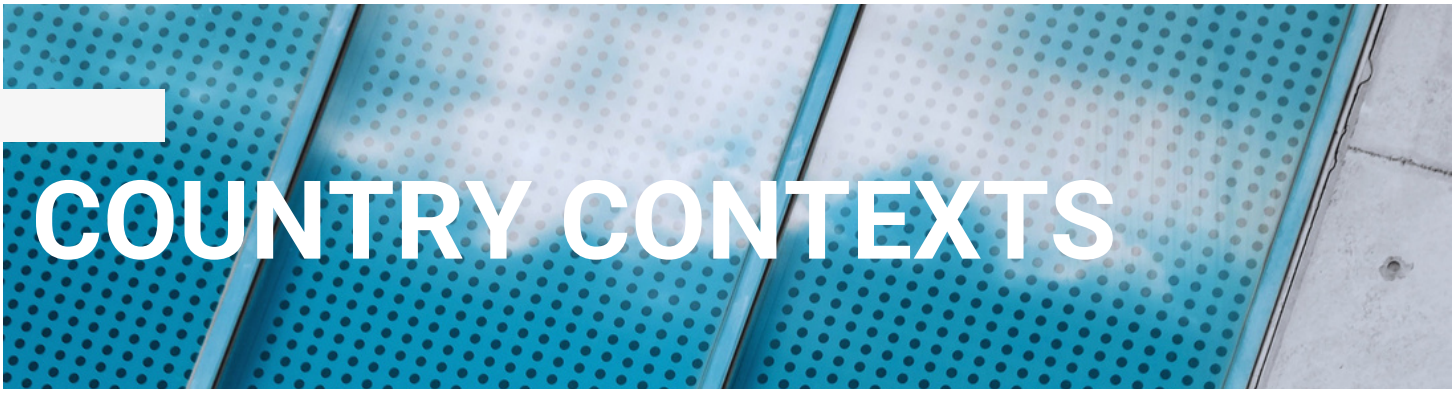
Indonesia's Electricity Investment Business Plan (RUPTL) 2021-2030 reflects an increase in coal power generation by 13.8 gigawatts by 2030, alongside a 21 gigawatts increase in renewable energy. However, the Indonesian Just Energy Transition Partnership aims at a peak power sector emissions of 290 MT CO2e (down from a 2030 baseline value of 357 MT CO2e) by 2030 and net-zero emissions from the power sector by 2050 (Indonesia Just Energy Transition Partnership, 2022).

The Philippines has committed to achieving its Nationally Determined Contributions target of a 75% reduction in emissions compared to business as usual between 2020 and 2030 (2.71% unconditional and 72.29% conditional with international support). The Philippine Energy Plan (PEP 2020-2040) sets a renewable energy target of at least 35% in the total capacity mix for power generation until 2030 and raises it further to 50% by 2040.

A coal moratorium for greenfield projects is in place, which, however, does not cover the 4.2 gigawatts committed to coal power plants expected over the next decade. In comparison, there are 0.85 gigawatts of committed renewable energy projects. While additional capacities are expected, power supply adequacy continues to be a concern.

Vietnam's commitment to a low carbon future includes its Nationally Determined Contributions reduction target of 15.8% (and 43.5% through international support) and the renewable energy target of 47% in the total power generation mix by 2030 in the Political Declaration of Just Energy Transition Partnership.

While the current planned coal-fired power generation capacity peak is at 37 gigawatts, Vietnam has agreed to a capacity peak of 30 gigawatts and an emissions peak of 170 MT CO2e from the power sector by 2030 under Vietnam's Just Energy Transition Plan declaration (down from 280 MT CO2e before COP26) by 2035 with international support (Vietnam JETP, 2022).



COUNTRY CONTEXTS

Indonesia

Indonesia's commitment to net-zero emissions is reflected in the October 2021 investment business plan of the national electricity company that assigns a priority to invest in additional renewable energy, which stipulated an increase of 21 gigawatts of renewable energy generation by 2030. In September 2022, Indonesia adopted Presidential Regulation No.112/2022 on renewable energy pricing and mandated an establishment of a roadmap of early coal-fired power plant retirement with a target of net-zero emissions from the power sector by 2050.

By COP27, Indonesia enhanced its Nationally Determined Contributions, increasing the targeted reduction of CO2 emissions from 29% to 31.89% (unconditionally) and from 41% to 43.20% (with international assistance).

Indonesia announced its Just Energy Transition Partnership at the Bali G20 summit, with a US$ 20 billion commitment from the International Partners' Group to assist in achieving power sector targets of 290 million tons of CO2e peak emissions and to increase the share of renewable energy to 34% by 2030.

Challenges relate to the establishment of a coherent investment plan for energy transition, levelling the playing field for renewable energy, early coal-fired power plant retirement planning, establishing effective regulatory frameworks, readiness of the electricity infrastructure, and increasing awareness of the just energy transition concept in the country.

Vietnam

Vietnam has made a strong political commitment to achieve greenhouse gas reduction. Following the net-zero emissions declaration by 2050 at the COP26 in 2021, Vietnam announced its Just Energy Transition Partnership in December 2022 for US$ 15.5 billion from the International Partners' Group to support the achievement of an emissions peak of 170 MtCO2e by 2030. This political declaration enhances the ambition from the peak of that country's net-zero commitment (240MtCO2e).

Vietnam's pipeline for coal-fired power generation, currently standing at a planned capacity peak of 37 gigawatts, will be reduced towards a peak of 30.2 gigawatts.

Given the rapidly growing energy demand in Vietnam, the Just Energy Transition Partnership's goals are challenging for Vietnam. These challenges particularly stem from a need for a legal framework for the deployment of renewable energy, private investment in the grid infrastructure, just transition in coal, oil, and gas industries, and particularly a financing mechanism for just transition programming.

The expected revision of the Electricity Law, integration of competitive electricity and energy markets, tariff mechanisms replacing the feed-in tariff for renewable energy, and auction for power sources and grid development also call for adjustments to encourage private investment in the sector.

The Philippines

The new Marcos administration of 2022 instituted a new leadership for the energy sector and is steadfastly moving toward clean energy targets. The government sustained the coal moratorium in favour of renewable energy generation. The Renewable Portfolio Standard, which requires distribution utilities to source power supply from renewable energy sources, was increased from a minimum of 1% to 2.52% annual increments, compelling renewable energy power procurement, and facilitating the achievement of the policy target of 35% renewable energy by 2030 and 50% by 2040.

The first Green Energy Auction was held in mid-2022 for a total of 2,000 megawatts of renewable energy capacity. The projects are expected to be commissioned within 2023-2025. To encourage more investments in renewables, 100% foreign ownership of solar, wind, ocean, and hydro facilities has been allowed. The president has been advocating for partnerships with other countries in developing floating solar, onshore and offshore wind, electric vehicles as well as nuclear energy in the country.

Opportunities exist in the various renewable energy technologies for the Philippines to achieve its targets. However, the lengthy permitting processes and grid vulnerability stand in the way. While the government promotes rapid ramping up of renewable energy in the next 5-10 years, in the short-term, power supply shortages are a widespread concern with thin reserves during the summer months, necessitating active energy efficiency and demand response mechanisms.

ABOUT ENERGY TRANSITION PARTNERSHIP

ETP combines public and private partners with the United Nations to help mobilise and coordinate technical and financial resources to build the foundations for renewable energy, energy efficiency, and sustainable resilient infrastructures.

We empower our partner countries to transition towards a sustainable energy system, generate economic growth and ensure energy security.

OUR PROGRAMMES ARE RESPONSIVE AND ADDRESS THE NEEDS OF THE GOVERNMENTS AS THEY INCREASE THEIR NET-ZERO EMISSIONS AMBITIONS IN THE ENERGY TRANSITION. THESE PROGRAMMES ARE DEVELOPED THROUGH MULTI-STAKEHOLDER CONSULTATIONS AND ARE GUIDED BY THE STAKEHOLDERS, ETP'S FUNDERS, AND ADVISORS.

To achieve this goal, ETP is mobilising and coordinating the necessary technical and financial resources to create an enabling environment for renewable energy, energy efficiency, and sustainable infrastructures in the region.

With an initial focus on Indonesia, the Philippines, and Vietnam, ETP has the mandate to mobilise resources and coordinate the necessary technical assistance to create an enabling environment for the energy transition.

We execute forward-looking bold actions to create new clean energy sector jobs and harvest social and health benefits.

ETP provides high-level technical advisory support, capacity and skills development programmes, and thorough convening of cross-sectoral dialogue with decision-makers and broader sets of stakeholders.

Key barriers to efficient energy transition include:

- Inadequate financial support
- Policy and regulatory inefficiencies
- Lack of access to digital technology
- Infrastructural inertia associated with conventional energy systems
- Limited local expertise, knowledge, and awareness

To overcome these challenges, ETP's business model amplifies the engagement of national expertise with international good practices and innovations. This approach provides the beneficiary countries with technical support that is appropriately calibrated to the local needs. This includes communications strategies to enhance absorption, capacity and skills development, and facilitation of expertise with the key stakeholders.

ETP has adopted a multi-pronged approach to tackle these regional and country-level challenges.

ETP has identified four major impact areas with the aim to increase the deployment of energy efficiency and renewable energy in Southeast Asia:

PRIORITY COUNTRIES

STRATEGIC OUTCOMES

Policy alignment with climate commitments

De-risking of investments in renewable energy and energy efficiency

Extending smart grids

Knowledge and awareness building

STRATEGIC OUTCOMES

ETP aims to increase renewable energy to reduce greenhouse gas emissions and increase energy efficiency to reduce the carbon intensity of economies in Southeast Asia, through four strategic outcomes.

STRATEGIC OUTCOME 1: POLICY ALIGNMENT WITH CLIMATE COMMITMENTS

Creating national energy efficiency and renewable energy policies, regulations, standards, and energy plans that reflect a commitment to the energy transition agenda.

Creating national fiscal policies to foster an investment climate conducive to investment flow to energy efficiency and renewable energy projects.

Ensuring that the energy transition agenda is centrally led and coordinated effectively at a national-level institution that is tasked to champion the cause with the right level of authority.

STRATEGIC OUTCOME 2: DE-RISKING ENERGY EFFICIENCY AND RENEWABLE ENERGY INVESTMENTS

National budgets indicate a resolve to maximise energy efficiency and renewable energy capacity by allocating the increased amounts of public funds and attracting foreign direct investment in the energy efficiency and renewable energy sector.

De-risked project finance is accessible via financial institutions generating a pipeline of large-scale energy efficiency and renewable energy projects.

STRATEGIC OUTCOME 3: EXTENDING SUSTAINABLE AND RESILIENT INFRASTRUCTURE - SMART GRIDS

National energy and sectoral plans involve evidence-based planning for an improved national-smart-grid system along with related infrastructure and innovative technologies.

STRATEGIC OUTCOME 4: KNOWLEDGE, AWARENESS, AND CAPACITY BUILDING

Stakeholders (relevant government entities, public sector companies, financial institutions, private entities, academia, and consumers) involved in the energy efficiency and renewable energy value chains are knowledgeable and better informed to advance the energy transition agenda.

STRATEGIC OUTCOME (SO)1

ETP PROGRESS

POLICY ALIGNMENT WITH CLIMATE COMMITMENTS

Well-designed and effectively implemented policies and regulations are fundamental to creating the necessary environment for energy efficiency and renewable energy.

ETP provides high-level technical advisory support to improve energy efficiency and renewable energy policies, regulations, and laws to align energy policy targets with climate action commitments.

Through its partnerships in Indonesia, the Philippines, and Vietnam, ETP aims to ensure that a comprehensive review, analysis, and recommendations are available to decision-makers.

ETP seeks foundational alliances that instill momentum in the energy transition landscape of organizations engaged in energy transition with the desired goal of crowding in resources for decarbonization programs in Southeast Asia.

Adoption of the recommendations will result in a political environment that is more conducive to investments in energy-efficient and renewable energy technologies that will help further the energy transition agenda in Southeast Asia.

IMPACT

INCREASED DEPLOYMENT OF RENEWABLE ENERGY AND ENERGY EFFICIENCY PROJECTS IN SOUTHEAST ASIA

TARGET VS. ACHIEVEMENT

Strategic Outcome 1: Policy alignment with climate commitments

Strategic Outcome	Short-term Outputs	Indicator(s)
Strengthened energy efficiency and renewable energy policy enabling environment	National renewable energy and energy efficiency policies, regulations, standards, and energy plans reflect a clear commitment to the Energy Transition agenda and are integrated into sectoral plans to contribute to the achievement of the Paris Agreement	**National energy plans reflect an ambition towards increasing the share of renewable energy, improving energy efficiency, and phasing-out fossil fuels** *Target: Revised country energy plans reflect an increased ambition towards renewable energy targets sooner (by 2025). Total 3* *Achievement: Revisions proposed for Vietnam, 1* ***Vietnam*** • Provided recommendations for the Vietnam power sector's emissions reduction before COP26. **Number of policies, regulations, and laws targeting renewable energy and energy efficiency reformed or newly introduced by governments with the ETP support** *Target: 12 by 2025* *Achievement: 6 presented* **The Philippines** • Redefined Wholesale Electricity Spot Market regulations to ensure the competitiveness of the market with the introduction of battery and energy storage systems. The resulting energy storage enables an increase of variable renewable energy into the grid in pursuit of the national goal of a 50% renewable energy target by 2040. • Philippines Grid Code updated, allowing for quicker and increased implementation of variable renewable energy projects. • Updated distribution grid code to enable a transition to low-carbon energy systems. • Small grid guidelines updated to allow for modern technologies to increase uptake of variable renewable energy. • A new system loss cap was developed to improve grid efficiency, thereby reducing energy loss, electricity prices, and greenhouse gas emissions. **Indonesia** • Provided analysis of the financial implications of the early coal-fired power plants retirement plan.
	National fiscal policies, regulations, and policies have undergone reforms to create an investment climate that is conducive to investment flow into renewable energy/energy efficiency and improves its energy transition readiness for capital and investments	**Number of renewable energy and energy efficiency related financing and fiscal reforms developed and presented to/enacted by the government entities** *Target: 6 by 2025* *Achievement: 1 presented* **Vietnam** • Developed criteria for issuing survey licenses for offshore wind power development to unlock finance for investment in offshore wind in Vietnam.
	The energy transition agenda is centrally led and coordinated effectively at a national-level agency/institution that is tasked to champion the cause with the right level of authority	**Presence of an effective national-level agency/institution** *Target: A strengthened national entity with a comprehensive outlook on renewable energy and energy efficiency across sectors that owns the National Energy Transition Roadmap by 2025. At least 1 per country. Total 3.* *Achievement:* **Strategic dialogue with the region's energy agencies to provide technical diagnostics grounded in realistic opportunities to expand variable renewable energy in the total primary energy supply through various workshops and national experts** *Target:* *a. Donors, private sector companies, and other partners experience improved coordinated response* *b. Wider dialogue with non-energy stakeholders for coordinated action by 2025.* *Achievement:* **Regional** • This has led to the expansion of ETP's programme of support to identify viable options for pursuing the national renewable energy goals and the Nationally Determined Contributions.

Initiatives Implemented in 2022

Strategic Outcome 1: Policy alignment with climate commitments

IMPACT

Increased deployment of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Policy alignment with climate commitments

OUTPUTS

Diagnostic of the political economy surrounding energy efficiency in Indonesia, the Philippines, and Vietnam

Identification of impediments and options for improving the political economy to expand energy efficiency markets and reduce the carbon intensity of the economies

Recommendations on the plans for early retirement of coal-fired power plants in Indonesia

ACTIVITIES

- A compendium of policy mapping, gaps, and opportunities in energy efficiency policy frameworks
- Identification of donor-coordinated efforts to advance energy efficiency-outcomes

- Public consultations for the proposed governance framework and market mitigating measures

- Introduction of protocols for batteries and other energy storage systems to the electricity market

- Workshops on international experience in the governance of energy storage systems in the electricity markets
- Develop conformance standards and protocols for battery and energy storage systems
- Propose Wholesale Electricity Spot Market rule changes on battery storage systems

- Update National Grid Code and Distribution Code
- Update Philippine Small Grid Guidelines

- Update smart grid compliance standards
- Develop streamlined rules and regulations for power quality and reliability to enhance grid efficiency and stability
- Develop a new system loss caps based on Electric Power Industry
- Reform Act to improve distribution grid efficiency
- Strategic analysis of the Energy Regulatory Commission's regulatory framework

- Review and validation of the government's early retirement roadmap(s)

- Deep-dive analysis of the coal retirement scenarios

- Assessment of regional variations of retirement as well as the indirect effects of coal plant retirements

INPUT

Diagnostic Review of and Analysis of Energy Efficiency Development in Southeast Asia

US$ 46,635

Philippines Battery Energy Market Mechanism Support Program

US$ 154,810

Upgrading Energy Regulations for the Energy Regulatory Commission of the Philippines

US$ 235,681

Study on the Financial Implications of the Early Retirement of Coal-fired Power Plants in Indonesia

US$ 297,512

To be initiated | In progress | Completed – Approval pending | Closed

Initiatives Implemented in 2022

Strategic Outcome 1: Policy alignment with climate commitments

IMPACT

Increased deployment of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Policy alignment with climate commitments

OUTPUTS

Phase out of coal-based power generation

Increasing the competitiveness of exports of Vietnamese low-carbon goods

ACTIVITIES

- Review of scenario modeling among the development partners and identification of gaps
- Identification of options for the emissions reduction scenarios of Vietnam's power sector
- Strategic communications and presentation of the analysis to the Gov

- A roadmap for the Commission for Management of State Capital toward net-zero emissions in Vietnam

- An analysis of legal, technical and financial barriers and recommended solutions for the Commission for Management of State Capital and State-Owned Enterprises to realize the identified roadmap toward the country's net-zero emissions target

- Dialogue on implications of the Carbon Border Adjustment Mechanism of the European Union
- Report on Carbon Tax Design and Recommendations
- Stakeholder consultations and workshops to introduce and consult the findings with relevant stakeholders

Legal Support to the Development of Power Generation Projects in Vietnam

US$ 199,500

Roadmap for the Commission for Management of State Capital toward Net-Zero Emission in Energy State-Owned Enterprises

US$ 190,000

Impact Assessment of EU's Carbon Border Adjustment Mechanism

US$ 594,806

REGIONAL

STRATEGIC OUTCOME 1

Diagnostic review of energy efficiency deployments

ETP commissioned a comprehensive review of impediments to achieving energy efficiency targets in Indonesia, the Philippines, and Vietnam, together with EPS Capital Corporation.

The review identified areas for improvement in the energy efficiency policy frameworks, access to finance, training, and facilitation of energy efficiency. It recommended a programme of interventions to improve energy efficiency in Southeast Asia.

ETP is working on setting up technical working groups among the stakeholders to take action to address the barriers and capture the opportunities to reduce bottlenecks to improve energy efficiency in Southeast Asia.
In Indonesia and the Philippines, ETP conducted consultations with the finance sector institutions to better understand the reticence regarding the national finance industry and lacking access to finance for energy efficiency investments.

Link to the report.

INDONESIA

Study on the financial implications of the early retirement of coal-fired power plants

ETP commenced a study to identify the financial implications of the early coal-fired power plants retirement plans proposed by the government. The study is implemented by Hartree Consultores, Neyen, and Cagar Bentara Sakti in the consortium.

The study aims to analyse, evaluate, and provide suggestions on the retirement pathways for coal-fired power plants with respect to their financial implications for PLN and the Government of Indonesia. The project outputs feed into recommendations to ensure a just transition into a low-carbon economy.

The initial analysis has provided recommendations on the government's early retirement roadmap through the lens of technical, fiscal, and social feasibility, with the resultant dialogue and troubleshooting critical for building confidence in such coal retirement scenarios.

Moreover, the Government of Indonesia has requested the project extend to assist in the drafting of the early coal retirement plan, mandated under September 2022's Presidential Decree 112.

The dissemination event organized by Hartree Consultores saw participation of ~100 people, where 57 participants, including 20 females, joined in person.

THE PHILIPPINES

STRATEGIC OUTCOME 1

The Philippines battery energy market mechanism support program

ETP collaborates with the Philippines Electricity Market Corporation to develop the rules for the participation of battery energy storage systems and other energy storage systems in the Wholesale Electricity Spot Market.

Previously, energy storage systems were classified as generators under the existing rules, which only partially reflected their function in the grid. Adjusting the Wholesale Electricity Spot Market rules reflects energy storage systems' role to optimise variable renewable energy generation in the electricity market.

Fair market rules that reflect the nature of batteries and energy storage technologies will encourage more private-sector investments into these systems that will in turn facilitate higher variable renewable generation into the power grid. The adjustments to reflect the participation of hybrid systems (batteries and renewable energy generators) and to align with the new policy on energy storage systems are ongoing.

ETP's intervention along with NEL Consulting Limited and Intelligent Energy Systems has generated recommendations for:

- Rules for the participation of battery energy storage systems and other energy storage systems in the Wholesale Electricity Spot Market
- Conformance standards for batteries and other energy storage systems to ensure that their participation maintains the fairness and competitiveness of the electricity market

Knowledge session on international experience related to the governance of energy storage systems and the preliminary recommendations. More than 300 participants attended the conference with a gender-inclusive panel of 3 speakers.

Upgrading energy regulations for the Energy Regulatory Commission of the Philippines

ETP supported the Energy Regulatory Commission of the Philippines with a strategic review of the regulatory framework. The project helped prune energy regulations of any contradictions with the government's climate objectives.

ETP and Ricardo drafted modifications to the national grid code and distribution code, small grid guidelines to facilitate higher shares of variable renewable energy in the power system. The suggested revisions to the smart grid guidelines and power reliability regulations ensures that the integration of more variable energy can be properly managed by the grids. The project also proposed a new distribution system loss cap to enhance grid efficiency and reduce electricity tariffs for consumers. The new caps force distribution utilities to upgrade and enhance their networks to reduce electricity wastage.

ETP and Ricardo organised 4 virtual consultations to discuss proposed modifications to the grid codes, distribution codes, small grid and smart grid guidelines.

The project generated key recommendations for:

- Revisions to the Philippine Grid and Distribution Codes, to include provisions for energy storage systems, smart grid technologies and variable renewables.
- Proposed revisions to the small grid guidelines to facilitate the safe adoption of embedded variable renewable energy generation into small grid systems.
- Drafted a new section to the Distribution Utility Planning Manual to include the technical guidelines for adopting smart grid technologies to facilitate distributed renewable energy generation and storage systems. The revised manual will facilitate investments in smart grid technologies, which will foster grid stability with the influx of higher variable renewable generation.
- Streamlining power system quality and reliability regulations to ensure that the grids are stable with increased variable renewable energy.

These recommendations will help the Commission create a flexible and dynamic regulatory environment that will facilitate the integration of more variable renewable energy, promote system efficiency, and create a competitive investment environment.

VIETNAM

Review and gap analysis of the existing coal abatement scenarios for Vietnam

Based on a comprehensive review and gap study commissioned by ETP, the Vietnam Initiative for Energy Transition (VIETSE) developed scenarios exploring the emissions reduction potential for Vietnam's power sector, which was launched before COP26.

Since the Government's declaration of its net zero emissions target by 2050, the coal-fired power capacity planned in the draft Power Development Plan 8 has been reduced from 40.64 gigawatts by 2030 and 50.69 gigawatts by 2035 to 30.1 gigawatts by 2030 and 23.1 gigawatts by 2035. VIETSE disseminated the findings of this analysis through 4 workshops attended by more than 100 organisations including state entities, state-owned enterprises, private companies, development partners, civil society organisations, and research institutions.

Project kick-off meeting. Mr. Hoang Tien Dung, Director of Electricity and Renewable Energy Authority, Ministry of Industry and Trade, and Mr. Gareth Ward, Ambassador of the United Kingdom to Hanoi, co-chaired the meeting.

Roadmap for the Commission for Management of State Capital toward net-zero emission in Energy State-owned Enterprises

ETP has commissioned the VIETSE to study and recommend a net-zero roadmap for the Commission for State Capital Management. This would enable the Commission to support energy state-owned enterprises to develop their strategies toward the country's net-zero emission target.

ETP's support will facilitate the Commission for Management of State Capital toward a just transition, improve governance, and develop more sustainable business models, thus reducing the risk of stranded assets, while promoting a transparent and sustainable development of the energy markets and renewable energy.

The mission at Cao Ngan Coal-fired power plant: Toan Do - ETP Country Coordinator and Tuan Nguyen - Director of Cao Ngan coal-fired power plant.

Wind energy development in Vietnam

Offshore wind is a critical source of energy for substituting for the coal-fired power production plans under the draft Power Development Plan 8. Thus offshore wind power is a cornerstone for the government's efforts to reach its Nationally Determined Contributions and net-zero emissions and the new Just Energy Transition Partnership commitments.

ETP arranged for a review and a workshop to familiarise the Vietnam Administration of Islands and Seas (VASI) of the Ministry of the Natural Resources and Environment with international practices for survey licensing criteria. These criteria will play a role in enabling developers to access survey licenses and the government to pursue its target of 7 gigawatts of offshore wind development.

A synthesis of the findings from the VASI workshop helped the Ministry of Natural Resources and Environment develop criteria to review and grant permits for offshore wind development surveys in Vietnam.

These criteria have been integrated into the government's draft of Decree 11, which is expected to be approved and executed in April 2023.

Impact assessment of European Union's Carbon Border Adjustment Mechanism

ETP, in response to the request of the Department of Climate Change of the Ministry of Natural Resources and Environment, has commissioned a study to provide the Government with a clear understanding of the impacts of the Carbon Border Adjustment Mechanism under implementation by the European Commission.

The study assesses the impacts on the various energy-intensive industries, recommending a legal framework and an institutional mechanism to develop a decarbonisation strategy, including the introduction of a carbon tax in Vietnam.

A better understanding of the Carbon Border Adjustment Mechanism and its impacts is intended to encourage industries to apply energy efficiency measures in their processes, gradually reduce their dependence on fossil fuels, and introduce carbon pricing, thus mainstreaming energy transition impacts.

Project kick-off workshop. The workshop was co-chaired by the Director General of the Department of Climate Change, Ministry of Natural Resources and Environment, Dr Cuong, and the ETP Fund Director, Sirpa Jarvenpaa.

The workshop brought 59 participants of whom 52% were women from the Multilateral Trade Policy Department (the Ministry of Industry and Trade), the Department of Tax Policy (the Ministry of Finance), together with associations, donors, and NGOs.

Initiatives Planned for 2023

Strategic Outcome 1: Policy alignment with climate commitments

IMPACT

Increased deployment of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Policy alignment with climate commitments

OUTPUT

Adoption of an agenda for optimizing market mechanisms by each priority country

Achieve net-zero emission targets

Promote high energy efficiency and low carbon technologies and increase energy savings in the cooling sector

ACTIVITIES

- Stocktake of the prevailing conditions and impediments to the uptake of market-based mechanisms in Southeast Asia
- Conduct in-country consultations and establish a donor forum
- Identify a policy dialogue agenda

- Stocktake of existing government plans guiding energy transition, highlighting policy/planning gaps
- Develop communication and donor coordination strategy
- Literature review on emerging technologies such as hydrogen, ammonia, nuclear and Carbon capture and storage
- Streamlined approach to ensure coherent government plans
- Communications and Stakeholder Engagement
- Capacity Building Program

- Stakeholder Consultation Workshop National data survey and analysis
- Assessment and projections of growth in cooling sectors/sub-sectors
- Sector/sub-sector review of refrigerants, technologies, regulatory, policy and gaps
- Development of the National Green Cooling Program and its roadmap
- Review and analysis on financing and investment
- Consultation workshops on the draft National Green Cooling Program roadmap

INPUT

Diagnostic of Competitive Arrangements for Energy Transition

Streamlining Government of Indonesia Plans as a Pathway to Achieve Net Zero Emissions Target

National Green Cooling Activities

To be initiated | In progress | Completed – Approval pending | Closed

STRATEGIC OUTCOME (SO) 2

DE-RISKING INVESTMENTS IN ENERGY EFFICIENCY AND RENEWABLE ENERGY

ETP PROGRESS

Significant public and private investments will be needed to finance viable energy efficiency and renewable energy projects to achieve the energy transition agenda.

ETP focuses on creating an enabling investment environment by supporting the improvement of policies, regulations, and laws encouraging public and private investments in energy efficiency and renewable energy; creating funds/platforms for feasibility studies; improving project bankability; introducing and scaling up de-risking instruments and project financing.

TARGET VS. ACHIEVEMENT

Strategic Outcome 2: De-risk investments in energy efficiency and renewable energy

Strategic Outcome	Short-term Outputs	Indicator(s)
De-risk investments in energy efficiency and renewable energy	De-risked project finance is accessible via financial institutions generating a pipeline of large-scale energy efficiency/renewable energy projects	**Number of new and existing, national and international, financing options/instruments de-risked and opened for private and blended financing** *Target: 15 financing instruments by 2025* *Achievement:*

Initiatives Implemented in 2022

Strategic Outcome 2: De-risk investments in energy efficiency and renewable energy

IMPACT

Increased funding of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Scale-up energy efficiency investment and improve access to finance for energy efficiency industry players

OUTPUT

Energy efficiency fund and platform to finance energy efficiency projects. ESCO-in-a-box established in the Philippines with at least one licensee

Investment-grade audits for energy efficiency projects

De-risked financing instrument (credit guarantee mechanism) for energy efficiency projects

ACTIVITIES

- Adapt the ESCO-in-a-box platform for Southeast Asia Business plan for ESCO-in-a-box platform for Southeast Asia
- Develop an energy efficiency fund

- Identify and award license to the first set of In-country Partner Energy Service Companies in the Philippines

- Conduct Investment Grade Audits
- Educate more potential end-users on the merits of energy efficiency projects
- Establish the financial viability of these projects to investors

- Engagement with potential stakeholders such as potential clients and financial institutions

- Technical study to establish de-risking guarantee mechanism
- De-risking guarantee mechanism facility establishment and dissemination

INPUT

ESCO-in-a-box for Southeast Asia

US$ 313,658

Investment-grade Audit Financing Programme

US$ 260,000

De-risking Instrument to Accelerate Energy-Efficiency Business Transaction

US$ 492,792

To be initiated | In progress | Completed – Approval pending | Closed

THE PHILIPPINES

STRATEGIC OUTCOME 2

Investment-grade Audit Financing Program

ETP, under the Energy Efficiency Innovation Window, extended a grant to Climargy from the Philippines to conduct investment-grade energy audits to increase the bankability of energy efficiency and conservation measures. The audits are expected to generate a pipeline of projects that will be implemented by various local energy service companies.

Climargy conducted exploratory conversations with 20 project host entities and has completed an Investment Grade Audit for one aviation company for their hangars. This can potentially reduce their energy consumption by 2.823 GWh equivalent to 70 million tCO2e emissions. The Investment Grade Audits pipeline includes commercial establishments and manufacturing plants.

ESCO-in-a-Box for Southeast Asia

EP Group is another grantee of ETP's Energy Efficiency Innovation Window. Under this project, EP Group will set up an ESCO-in-a-Box (EIAB) platform in the Philippines and later expand it to the region. The platform will support local energy service companies to develop and finance energy efficiency projects.

EIAB will provide a set of tools, ranging from technical methodologies to contract templates, to energy service companies to support them develop bankable energy efficiency projects, expand their business, and contribute to building the local ESCO industry.

EP Group has conducted ESCO development training for three potential partner ESCOs - Stratcon, TriSky Link, and Exora. EP Group has engaged in discussions with 7 financial institutions to identify potential sources of financing that newly trained ESCOs may tap.

ETP's grantee, EP Group, explained the ESCO-in-a-Box concept to the World Clean Energy Conference 2022 in Manila, the Philippines. The conference provided an opportunity to meet with local ESCOs, learn from leading local energy efficiency experts, and share relevant ESCO experience.

INDONESIA

STRATEGIC OUTCOME 2

De-risked Financing Guarantee Instrument

Under the Energy Efficiency Innovation Window, Climate Policy Initiative (CPI) Indonesia was awarded a grant to set up a credit guarantee instrument to increase the confidence of borrowers and lenders in order to enable access to financing to accelerate investments in energy efficiency. If successful, the project will support the Government's reduction of energy intensity by 1% per year by 2025 and its climate commitment to reduce greenhouse gas emissions by 31.89% by 2030. CPI Indonesia expects to partner with Danfoss (energy efficient technology provider) to allow identified clients and financiers access to Danfoss's Energy Management System (EMS) business model.

The ability to access data from proven business models like the Danfoss EMS will be critical to the success of this project and to encourage local banks to provide funding for energy efficiency projects.

ETP and CPI conducted an awareness session and focused group discussion with 55 participants, 18% women, to increase awareness of the credit guarantee mechanism.

Initiatives Planned for 2023

Strategic Outcome 2: De-risk investments in energy efficiency and renewable energy

IMPACT

Increased funding of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Scale-up energy efficiency investment and improve access to finance for energy efficiency industry players

OUTPUT

Energy efficiency fund and platform to finance energy efficiency projects. ESCO-in-a-box established in the Philippines with at least one licensee

Tap into the wind energy potential

ACTIVITIES

- Develop energy efficiency fund and workflow

- Manage and convene a Wind Power Technical Working Group
- Sector Development Roadmap
- Wind energy potential mapping, gap analysis, and site selection
- Permitting Assessment and Regulation Development Support Investment
- Opportunities Guide for Indonesian Wind Projects and Access to Finance Report

Energy Efficiency Revolving Fund

Wind Energy Development in Indonesia: Investment Plan

STRATEGIC OUTCOME (SO) 3
EXTENDING SMART GRIDS

ETP PROGRESS

Integrating variable renewable energy into the grid requires changes in grid infrastructure, including in policies and regulations related to market access, interconnectivity standards, and integration of smart technology. To support variable renewable energy integration, ETP focuses on areas such as grid expansion and upgrades, increasing system flexibility, introducing new investment models leveraging public and private investments, and improving long-term planning and revision.

TARGET VS. ACHIEVEMENT

Strategic Outcome 3: Extending smart grids

Strategic Outcome	Short-term Outputs	Indicator(s)
Extending smart grids	National energy strategy and sectoral plans involve evidence-based planning for an improved national-smart-grid system along with related infrastructure and innovative technologies	**Number of technical recommendations and solutions implemented by the grid operators for planning and operation, leading to smart grid** *Target: 15 by 2025* *Planned for 2023:* **The Philippines** • Technical recommendations to address interconnection and congestion issues for connecting renewable energy to the transmission grid. **Number of technical design, demo, and modelling projects supported for smart infrastructure** *Target:* 3 by 2025 *Achievement:* 1 **Indonesia** Recommendations for a new design of new control centres with renewable energy integration capabilities to remove a physical barrier to enabling variable renewable energy in the Java-Bali electricity system.

Initiatives Implemented in 2022

Strategic Outcome 3: Extending smart grids

IMPACT

Increased deployment of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Investments for grid expansion and improvement in grid flexibility to foster the energy system's capacity and enhanced grid capacity to absorb variable renewable energy

OUTPUT

Detailed Engineering Design of new Java-Bali control centers

Technical recommendations to upgrade the Philippines main Luzon-Visayas-Mindanao transmission network, and governance options to facilitate investments for upgrading the transmission grid

ACTIVITIES

- Development of the basic and detailed engineering design for the Main Control Center and Disaster Recovery Center buildings
- Development of the basic engineering and technical specifications of the Supervisory Control And Data Acquisition/Energy Management System system for the centers

- Roadmap for Technical and Investment Upgrades
- Review of the Electricity Governance Structure
- Communications and Information Dissemination

INPUT

Detailed Design to Upgrade the Java-Bali Electricity Main Control Centre

US$ 1,625,170

Philippines Grid Diagnostic and Roadmap for Smart Grid Development

US$ 241,540

To be initiated | In progress | Completed – Approval pending | Closed

INDONESIA

STRATEGIC OUTCOME 3

Detailed design to upgrade the Java-Bali Control Centre

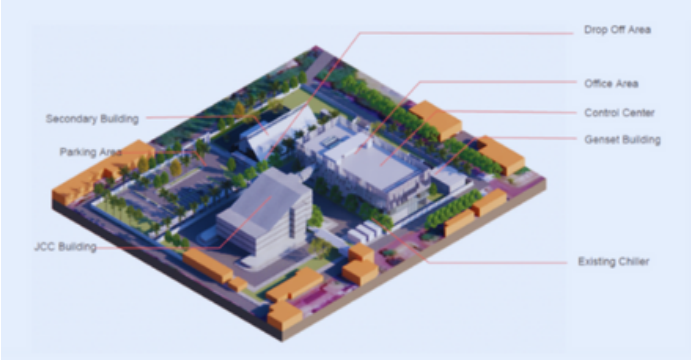
ETP has engaged ELC Electroconsult and Debarr to help PLN, a government-owned electric power distributor, to increase the penetration of renewable energy in the Indonesian grid.

ELC has developed detailed engineering designs for the Main Control Centre, the Disaster Recovery Centre, and the infrastructure buildings for a new modern Java-Bali Control Centre. This design will upgrade the main and the emergency control centres to enable the integration of limitless variable renewable energy, thus removing a significant physical barrier to the viability of variable renewable energy in the energy supply in Java-Bali. The new modernised control centre will dispatch electricity to the largest electricity system in Indonesia, serving about 160 million people. The video from the project can be viewed here.

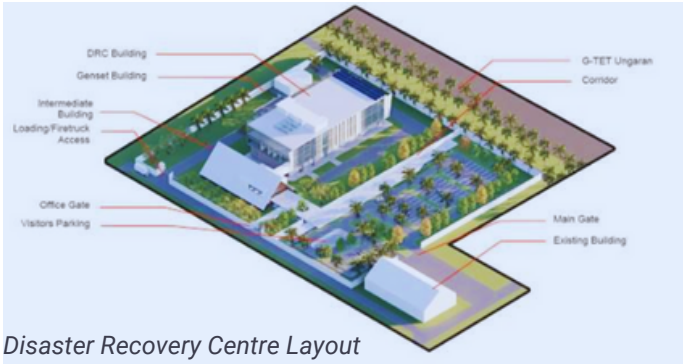
PLN has commenced a tender for the new centre in early 2023 to ensure that the new centre will be operational by early 2025.

ELC has also trained 40 employees, including 7 female employees, on the concept design of the control centres and the Supervisory Control and Data Acquisition/Energy Management System technology.

ELC has developed for PLN basic engineering and technical specifications of the Supervisory Control and Data Acquisition/Energy Management System for the centres.



Main Control Centre Layout



Disaster Recovery Centre Layout

THE PHILIPPINES

STRATEGIC OUTCOME 3

The Philippines Grid Diagnostic and Roadmap for Smart Grid Development

ETP has commissioned Ricardo to undertake the study and develop a smart transmission grid development roadmap for the Philippines.

In collaboration with the Department of Energy and other sector agencies, the project identifies options for ensuring grid readiness to integrate variable renewable energy in the network and enable the government's renewable energy target of 35% by 2030 to become a reality.

The project analyses the current institutional and governance structures to recommend measures to ensure that investments will happen for upgrading the network.

This project has put a spotlight on the issues revolving around the approval of the annual Transmission Development Plan. It encouraged conversation among the relevant agencies, leading to its approval for only the second time over a six- year period.

The project will present its preliminary analysis in a series of consultations in the first quarter of 2023.

The inputs from these consultations will strengthen the recommendations to address the interconnection and congestion barriers of the transmission grid, accelerating the pace that renewable energy projects are operational.

Initiatives Planned for 2023

Strategic Outcome 3: Extending smart grids

IMPACT

Increased deployment of renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

Investments for grid expansion and improvement in grid flexibility to foster the energy system's capacity and enhanced grid capacity to absorb variable renewable energy

OUTPUT

ASEAN Power Grid System

ACTIVITIES

- ASEAN Power Grid Roadmap to foster ASEAN Power Grid initiative from study to implementation
- Financing framework that can be monitored for sufficient technical assistance and investment finance each requirement and stage of roadmap

INPUT

ASEAN Power Grid Roadmap

To be initiated | In progress | Completed – Approval pending | Closed

STRATEGIC OUTCOME (SO) 4

KNOWLEDGE & AWARENESS BUILDING

ETP PROGRESS

ETP aims to improve the appropriate knowledge of key stakeholders such as governments, the business sector, and education entities on key energy transition issues and support the development of a strong local workforce (human capital) that can meet the growing green job opportunities.

TARGET VS. ACHIEVEMENT

Strategic Outcome 4: Knowledge & awareness building

Strategic Outcome	Short-term Outputs	Indicator(s)
Knowledge and awareness-building	Stakeholders (government entities, public companies, financial institutions, private entities, academia, and consumers) involved in the renewable energy/energy efficiency value chain are knowledgeable and better informed to advance the energy transition agenda	**Number of studies, research, and new evidence gathered and published, for raising awareness, improving the knowledge base, driving decisions, and dissemination** *Target:* 18 by 2025 *Achievement:* 2 **Regional** • Diagnostic study on barriers and opportunities for Energy Efficiency development. **The Philippines** • Study on the international electricity market maturity and practices to accommodate battery and energy storage systems. **Number of trainings, knowledge-sharing events, and/or awareness workshops organised at national and regional levels building institutional capacity and knowledge networks** *Target:* 52 events, training, and workshops/per year *Achievement:* 78 **Number of articles, press releases on social media, and mass media for outreach** *Target:* 200/per year *Achievement:* around 200 communications products

Initiatives Implemented in 2022

Strategic Outcome 4: Knowledge & awareness building

IMPACT

Increased knowledge and demand for renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

An increased level of knowledge and demand for low carbon economies in the Southeast Asia

OUTPUT

9 Energy transition knowledge roundtables and 4 deep-dive dialogues for energy sector practitioners

Training for PLN on basic engineering and technical specifications the centres
Energy efficiency trainings for students and teachers in 24 schools
Energy efficiency financing training and consultations

ACTIVITIES

- Design of professional development for energy transition leadership learning events in Southeast Asia Delivery of 9 Energy Transition Round Table sessions in Southeast Asia
- Feedback assessments
- Sustainability report for continuing education on energy transition topics

- Increase awareness of students and teachers about energy efficiency and conservation
- Design bottom-up energy-saving policies in schools and implement them in energy efficiency programs and activities
- Energy efficiency financing training and consultations for government officers, financial institutions, and project developers.

INPUT

Reginal Energy Transition Roundtable

US$ 480,750

Energy Efficiency and Energy Conservation Awareness Raising in the Education Sector
US$ 60,044
Clean Energy Finance and Investment Training Week

To be initiated | In progress | Completed – Approval pending | Closed

REGIONAL

STRATEGIC OUTCOME 4

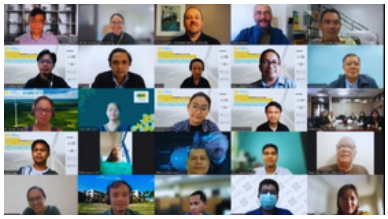
Energy Transition Roundtable

ETP recognises that energy transition knowledge is developing rapidly. ETP aims to provide practitioner-level training on energy transition issues in the region through modern educational facilitation, thus expanding on the understanding of the international experience and good practices.

ETP collaborates with the Australian National University, the Mekong Partnership for Environmental Resources and Energy Systems, the Ateneo School of Government, the University of San Carlos, the Institute for Economic and Social Research, the Faculty of Economics and Business, the University of Indonesia and Indonesia Research Institute for Decarbonisation on an educational series that culminated in country deep-dives in 2022. The Roundtable has enabled ETP to assess the general education and knowledge gaps in the region through the following:

- 1 regional energy transition dialogue with 420 participants, of whom 40% were women
- 9 deep-dive roundtables with 233 participants, of whom 27% were women, and
- 10 energy transition master classes were organised with 113 participants, of whom 44% were women
- 97% of attendees acknowledged the usefulness of the training
- 65% of attendees completed all requirements of the training

The project will develop a sustainability report that will canvas how continuing education should be facilitated in the region on an ongoing and sustainable basis to ensure that the region has access to the rapid evolution and examination of relevant technologies and concepts tested elsewhere.



Philippines Energy Transition Deep Dive *included 39 participants from the national government agencies, local governmental units, industry, electric cooperatives, and civil society organisations of the Philippines. It facilitated discussions on the barriers and challenges in enabling an increased share of renewable energy in the Philippine electricity mix. A white paper on the issues identified as is to be published soon.*

INDONESIA

STRATEGIC OUTCOME 4

Energy Efficiency and Energy Conservation Awareness Raising in the education sector

ETP is assisting the Government of Indonesia to achieve the 17% energy efficiency target in 2025 by changing behaviour towards energy conservation for 145 students and teachers in 24 schools in East Java in partnership with the Foundation of Indonesian Institute for Energy Economics. The programme has:

- Created 3 training modules at different education levels – Elementary, Junior, and High
- Reduced energy consumption in 24 schools by 34.5%, from 107,972 kWh in April to 70,722 kWh in June 2022 thus reducing emissions

Energy Efficiency training for students of 24 schools in East Java

Energy Efficiency Financing Training and Consultations

ETP in collaboration with the Organisation for Economic and Cooperation Development (OECD) and the Clean Affordable Secure Energy (CASE) for Southeast Asia conducted the Clean Energy Finance Training Week.

This training aimed at improving the understanding of the government officers, financial institutions, and project developers of the financing mechanisms for energy efficiency and renewable energy projects.

This training provided knowledge and training for financial institutions on efficient technology which will reduce energy consumption and emissions and further improve the company's productivity and profitability.

ETP also facilitated discussions between the project developers and financial institutions to better understand how banks see a project's bankability and the required due diligence processes. The government shared more on the regulatory context and the incentives in place for the energy efficiency projects.

Takeaways from the training and consultations:

- The Ministry of Energy and Mineral Resources and the Financial Services Authority will update the 2015 Financial Guidance for Energy Efficiency Project.
- The Ministry of Energy and Mineral Resources will include a set of support for the energy efficiency project and ESCO business in the current energy conservation government regulation revision.
- The Financial Services Authority will request the financial institution to include energy efficiency projects as part of their Sustainable Finance Annual Plan with a reference to the Regulation No.51/2017 of the Financial Services Authority.
- The government and financial institutions requested the continuation of the training and consultation to maintain and improve the knowledge.

Initiatives planned for 2023

Strategic Outcome 4: Knowledge & awareness building

IMPACT

Increased knowledge and demand for renewable energy and energy efficiency projects in Southeast Asia

OUTCOME

An increased level of knowledge and demand for low carbon economies in the Southeast Asia

OUTPUT

Increased level of knowledge and awareness on environment and climate issues among the consumers driving demand for clean energy solutions and decarbonization of the Southeast Asian economies

ACTIVITIES

- A Just Coal Transition Forum for knowledge sharing among communities on energy transition and coal phase-down
- Peer forums for the exchange and transfer of knowledge on energy transition issues
- Identify and support socio-economic groups affected by the coal phase-down to transition to new low carbon livelihoods
- Learning academy to provide training on governance, engagement, transition issues, tools and concepts for the communities
- Leadership training on energy transition for policy makers and TV series on energy transition in Vietnam

INPUT

Just Coal Transition Forum

To be initiated | In progress | Completed – Approval pending | Closed

Financial progress in 2022

ETP's budget is designed based on the minimum US$ 50 million pledge to be funded by its current and potential new funders, with an aspiration of US$ 100 million.

Continued close coordination and joint efforts between ETP funders and ETP Secretariat are critical to meet these resource needs.

In 2022, ETP welcomed two new funders: The United Kingdom's Department of Business, Energy, and Industrial Strategy and the Windward Fund.

Since its inception, ETP has doubled its expenditure year after year, with expenditures of US$ 4.2 million in the financial year 2022.

2022 FUND MANAGEMENT

Governance

The ETP Steering Committee provides strategic direction and decision-making through formal Steering Committee meetings twice a year. The Steering Committee guides and reviews large projects through working group meetings, and approves projects (concept notes) on need basis.

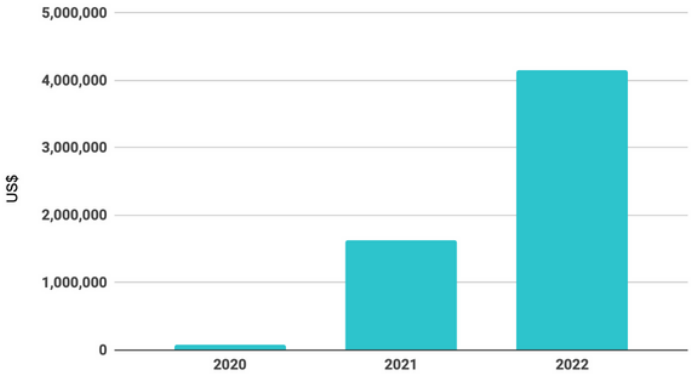
In 2022, the Committee met twice formally:

1. In February 2022 (virtual) to discuss and approve the 2022 work plan and budget

2. In October 2022 (in-person) to review ETP's progress, to meet key country stakeholders, select a new Chair, and extend ETP's tenure until 2035

In addition to formal meetings, the Committee and the ETP Advisory panel met 7 times in 2022 to review and finalise the Technical Assistance Plans for Indonesia, Vietnam, and the Philippines. This year, the Steering Committee approved 10 new projects.

EXPENDITURES BY YEAR (US$)



FINANCIAL MANAGEMENT

OVERALL ENGAGEMENT VALUE AS OF 31 DECEMBER 2022

Funder	Committed	Amount Received	Amount to be transferred
Agence Francaise de Developpement (AFD)	2,937,720	2,924,648	0
Germany - BMU	4,509,200	4,509,200	0
Children's Investment Fund Foundation (CIFF)	6,000,000	4,000,000	2,000,000
IKEA Foundation	2,000,000	1,999,950	0
United Kingdom - BEIS	6,544,503	1,251,500	5,293,003
Wellspring (Sequoia)	1,000,000	1,000,000	0
High Tide / Windward	500,000	500,000	0
Active Donor	8,000,000	5,333,332	2,666,668
Total	**31,491,423**	**21,518,630**	**9,959,671**

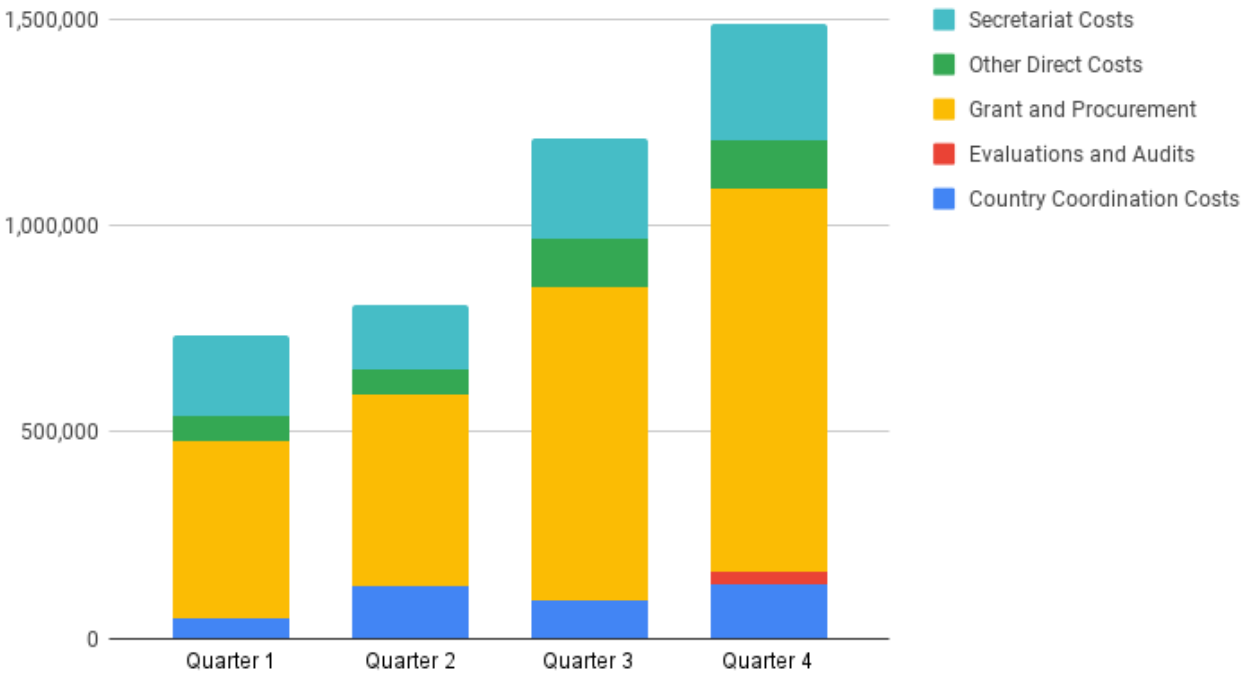
AMOUNT (US$) AVAILABLE FOR PROGRAMMING AS AT 31 DECEMBER 2022

	Budget Balance (Signed contribution)	Cash Balance (Cash received)
Funding	31,491,423	21,518,630
Commitments	2,631,660	2,631,660
Expenditure	5,882,989	5,882,989
Balance	22,963,702	13,003,981

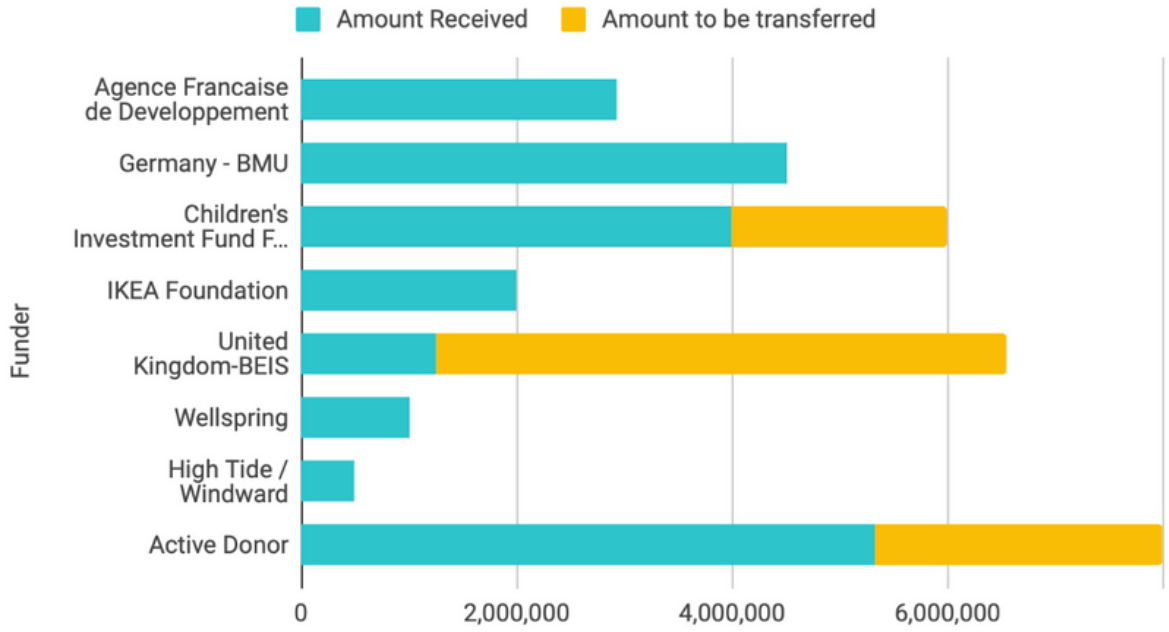
FINANCIAL YEAR 2022 EXPENDITURE

Description	Total Expenditure (US$)
Secretariat Costs	848,608
Implementation	2,489,690
Strategic Outcome 1	728,579
Strategic Outcome 2	344,239
Strategic Outcome 3	864,037
Strategic Outcome 4	455,028
Preparation	97,807
Monitoring, Evaluations, Audit	29,400
Country Coordination Costs (Total)	392,871
Transition Support (Total)	231
Other Direct Costs (Total)	341,231
Contingency (Total)	0
TOTAL DIRECT COSTS	4,102,032
TOTAL INDIRECT COSTS	143,558
Total Expenditure	4,245,590

2022 EXPENDITURE (US $) BY QUARTER



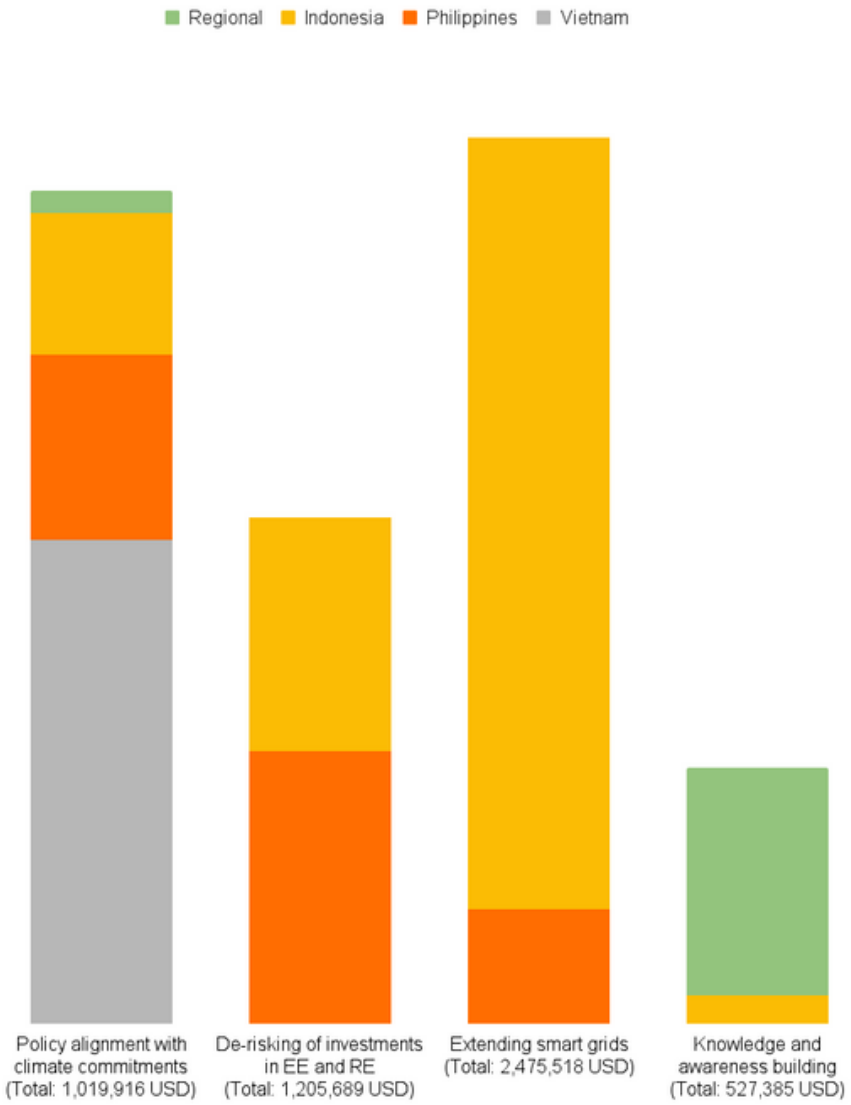
TOTAL SIGNED CONTRIBUTION BY FUNDER IN US $



FUND DISTRIBUTION BY STRATEGIC OUTCOME AND REGION (IN US $)

Total contract value for all projects as of 31 December 2022: US$ 5.23 million

Value of project disbursements as of 31 December 2022: US$ 2.53 million



						Total commitment	Funds used
	Vietnam	1,019,916				1,019,916	**34%**
	Philippines	390,491	573,658	241,540		1,205,689	**46%**
	Indonesia	297,512	492,792	1,625,170	60,044	2,475,518	**46%**
	Regional	46,635			480,750	527,385	**90%**
	Funds used	**45%**	**31%**	**50%**	**90%**		

OUTREACH & ADVOCACY

As ETP grows, it aims to take part in the global discussions on energy transition issues and be seen as a go-to-partnership to accelerate transition to renewable energy and energy efficiency across the Southeast Asian region.

ETP's communication plan guides ETP's information dissemination activities on the partnership's work through external and internal communications channels.

ETP aims to promote communication and knowledge sharing among stakeholders in the region on energy transition.

ETP's current website and social media enable a channel for information for public dissemination to enhance awareness of energy transition and ETP's activities, projects, and recruitments. Please visit ETP's website for more information on knowledge products.

Energy Transition Roundtables

February:
- ETP-Roundtable Energy Transition Dialogue 2022: ASEAN Zero Carbon Energy Outlook

March:
- ETP-Roundtable Energy transition: Australian Experience in the Global Context
- ETP-Roundtable Renewable Energy Generation
- ETP-Roundtable Operation of Electricity Grid

April:
- ETP-Roundtable International Renewable Energy Systems
- ETP-Roundtable Energy Storage

May:
- ETP-Roundtable Energy Efficiency
- ETP-Roundtable Carbon Pricing

June:
- ETP-Roundtable Trade, Investment & Green Industria
- ETP-Roundtable Industry Workforce Planning and Transitions
- ETP-Roundtable Social Transition

August:
- ETP-Roundtable Indonesia, Philippines, Vietnam – Sessions 1-3
- ETP-Roundtable COP Policy Dialogue 2022

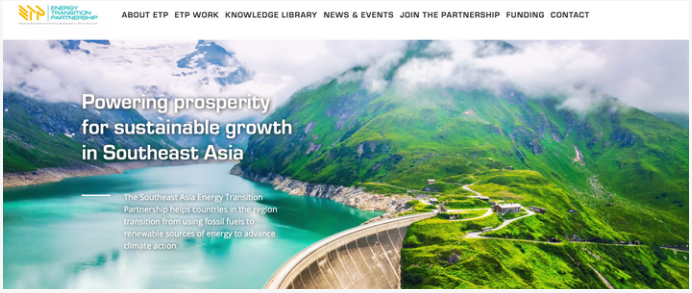
In 2022, ETP Secretariat implemented a significant number of external events that enabled enhancing awareness of ETP, and its role in the energy transition dialogue, globally and regionally. These events offered occasions for ETP to advocate concepts and pathways for energy transition with various audiences, including potential funders and recipients of resources for energy transition.

In 2022, ETP organised and presented in 21 knowledge events that brought energy transition topics in Southeast Asia to focus and generated dialogue on ETP's four strategic objectives.

These included high-level ministerial events including the UK COP26 Presidency Ministerial, G20 Energy Ministerial, ASEAN Ministers of Energy Meeting, IEA Annual Global Conference on Energy Efficiency, and COP27 Official Side Events, among others.

In Vietnam, ETP signed 2 Memoranda of Understanding with The Directorate of Standards, Metrology and Quality, Ministry of Science and Technology, and with The Department of Climate Change, Ministry of Natural Resources and Environment, establishing cooperative and collaborative relationships between the parties.

ETP's presence in high-level venues profiled the partnership across and beyond Southeast Asia as a unique network that can bring benefits to the Southeast Asian energy transition stakeholder communities and country authorities through bold and pioneering initiatives.



ETP Events 2022

March:

- ETP Side Event at Berlin Energy Transition Dialogue

June:

- ETP Side Event at IEA 7th Annual Global Energy Efficiency Conference
- ETP at G20 Energy Transition Working Group Labuan Bajo
- ETP Side Event "ASEAN Power Grid: a Conduit for Low Carbon Southeast Asia" at Asia Clean Energy Forum 2022
- ETP at CASE for Southeast Asia Side Event "Southeast Asia Information Platform for Energy Transition" at Asia Clean Energy Forum 2023

August:

- ETP-Bankers Association of the Philippines Financial Institution Consultation Workshop in the Philippines
- G20 Energy Transition Ministerial Meeting Bali Side Event: FIRE High-Level Meeting, “Progress on International Cooperation for Indonesia’s Energy Transition"
- G20 Energy Transition Ministerial Meeting Bali Side Event: Smart Grid Solutions in Accelerating Energy Transition in Southeast Asia

September:

- ETP at 3Zero World Forum in Paris
- ETP at ASEAN Energy Business Forum in Cambodia
- Philippines 5-year Technical Assistance Plan, Working Group Steering Committee Meeting

October:

- 2nd Anniversary of ETP
- Steering Committee Meeting

November (COP27):

- Climate Compatible Growth Side Event "ETC Rapid Response Facility"
- UNOPS Side Event "Build the Future: The Power of Partnerships for Climate Action"
- Canada Side Event "Clean Energy Ambition - Multilateral Collaboration to Drive Results"
- ETP Side Event "Efforts to Pursue Coal Retirement in Southeast Asia - The Current State of Play"
- UK COP26 Presidency "Putting Promises into Practice: Accelerating the Clean Energy Transition"
- World Bank Side Event "Mobilising Finance and Know-how for a People-entered Just Transition"
- UK Side Event "The Energy Transition Council’s Rapid Response Facility: Delivering Swift and Effective Technical Assistance for the Energy Transition"
- PPCA Side Event "Powering Past Coal Alliance 5 Year Anniversary: Showcasing Global Leadership Advancing Coal Power Phase Out"
- COP27 Official Side Event "Sustainable Cooling: A Multipurpose Tool to Deliver on Net-Zero, Adaptation, Food & Energy Security"

December:

- Harnessing the Power of the Ocean and the Seas: A Marine Renewable Energy Stocktake of the Philippines

OUTREACH & ADVOCACY

In October 2022, ETP celebrated its second year of implementation in a networking event held in Bangkok, Thailand. The event recognised the power of bringing together diverse members and stakeholders to build the foundations for renewable energy, energy efficiency and sustainable resilient infrastructures for greater clean energy integration.

At the G20 Energy Transition Ministerial Meeting in Indonesia, ETP convened representatives from the government of Indonesia, Vietnam, and the Philippines as well as the grid operator from Indonesia and the United Kingdom and the academician from Malaysia university to share knowledge on the smart grids development.

On 6th December 2022 in Vietnam, ETP together with the Department of Climate Change of the Government of Vietnam hosted a workshop to kick-start a new project – Impact Assessment of the EU's Carbon Border Adjustment Mechanism.

The Clean Energy Finance and Investment Training Week was conducted in Indonesia through a collaboration between the government of Indonesia (MEMR and OJK) and international organisations (ETP, CASE, and OECD). It aimed to increase awareness of financial institutions and improve the bankability of clean energy projects.

A Memorandum of Understanding was signed between GREENMAP and the ETP at COP27 in Egypt launching a collaboration to support governments in the region to unlock investments in renewable energy.

At COP27 World Bank Pavilion, ETP Director Sirpa Jarvenpaa joined the World Bank High-Level Event announcing the launch of the Just Coal Transition Forum in partnership with the World Bank.

ETP, PLN, and ELC-CESI held a coordination meeting for the upgrade of the Java-Bali Control Centres

Site visit to PLN Java-Bali Control Centres infrastructure to check its readiness for technology upgrade

PLN Office in Jakarta

ALIGNED PROGRAMMES

ETP seeks to develop alliances and partnerships as part of its business model. ETP is designing collaborative interventions with its aligned programmes, including joint projects, knowledge events, data collection and sharing of visions. ETP arranges regular meetings with the Clean, Affordable, and Secure Energy and the Southeast Asia Clean Energy Facility to discuss planned interventions to reinforce their efficiency and effectiveness to drive energy transition outcomes rather effectively coordinated.
ETP also conducts dialogue with TARA to understand civil society perspectives in energy transition.

Southeast Asia Clean Energy Facility

In partnership with sector stakeholders, the Southeast Asia Clean Energy Facility (SEACEF) aims to direct catalytic early-stage funding into innovative high-impact clean energy projects in Southeast Asia and showcase a sustainable business case. SEACEF is an aligned programme of ETP. Aligned programmes share funders and coordinate their visions and strategies effectively and aim to reinforce one another's efforts and interventions on the ground. ETP and SEACEF collaborate on innovative energy efficiency investments and wind power development.

Ambition

- Adding 1500+ megawatt of renewable energy
- Adding 200 megawatt storage
- Scaling up Energy Service Companies platform
- Scaling up e-motorbike and battery swap platform

Synergies with ETP

Increased energy efficiency and renewable energy deployment as a result of:

- Increased public and private investments in energy efficiency and renewable energy
- Building capacity of Energy Service Companies
- Engaging with the private sector stakeholders

FOCUS COUNTRIES

JOINT INITIATIVES BETWEEN ETP AND SOUTHEAST ASIA CLEAN ENERGY FACILITY

ETP and other development partners, including the French Development Agency (AFD), Climate Policy Initiative Indonesia (CPI Indonesia) and SEACEF, discussed with the Deputy Director of Energy Conservation Business and Technical Assistance of the Ministry of Energy and Mineral Resources to identify financing mechanisms for energy efficiency projects in Indonesia. In the meeting, the Ministry proposed to conduct an event to formalise energy efficiency financing mechanisms, amongst other discussions.

SEACEF participated in an ETP-organised side event at the IEA's 7th Annual Global Energy Efficiency conference with the Department of Energy of the Philippines, the Ministry of Energy and Mineral Resources of Indonesia, the Ministry of Science and Technology of Vietnam, the International Energy Agency (IEA), Climargy and PT Enertec. They discussed Southeast Asia's energy efficiency policy framework, the role of development partners on the development of energy efficiency and innovative energy efficiency solutions and financing mechanisms to address the under-investment of energy efficiency in the region.

Clean Affordable Secure Energy for Southeast Asia

The Clean Affordable Secure Energy for Southeast Asia (CASE) aims to substantially shift the direction of the energy sector narrative in Southeast Asia towards an evidence-based energy transition, aiming to increase political ambition to comply with the Paris Agreement. CASE is also an aligned programme of ETP. CASE has provided a seconded team member to work with ETP to particularly seek areas for collaboration and joint programs. ETP works with CASE on the ASEAN Power Grid Program, the SIPET energy transition data management project. ETP and CASE seek to profile one another's efforts and projects at knowledge events.

Ambition

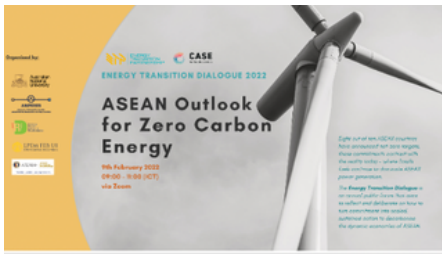
- Shift of the narrative of the energy sector in Southeast Asia towards an evidence-based energy transition, in compliance with the Paris Agreement
- Increased share of electricity generation stemming from renewable energy
- Higher ambition level of the energy sector targets in the Nationally Determined Contributions

Synergies with ETP

- Creating an enabling policy and regulatory environment for energy efficiency/renewable energy
- Engaging with the public sector stakeholders
- Awareness generation through knowledge products and training

FOCUS COUNTRIES

JOINT INITIATIVES BETWEEN ETP AND THE CLEAN AFFORDABLE SECURE ENERGY PROGRAM



Energy Transition Dialogue, launched in February 2022, is the first in a series of roundtable sessions established by this partnership. The dialogue brought the government, private sector, and civil society together in exploring ways to accelerate the transition to renewable energy in the region. This opening dialogue launched the ETP roundtables and other training events planned for this year. They took stock of the Southeast Asia energy sector in 2021, presented an outlook for the year ahead, and shared lessons. Video recording.

The Clean Affordable Secure Energy Program has developed the Southeast Asia Information Platform for the Energy Transition (SIPET). It is an interactive knowledge and information exchange platform, equipped with different tools, to facilitate dialogue and transparency to support the acceleration of the energy transition. In September 2022 ETP joined the launch of SIPET. ETP contributed to the development of SIPET by providing consultancy, and also sharing outputs from ETP's donor mapping, which was utilised in the formulation of the SIPET database.

ETP and the Clean Affordable Secure Energy Program participated at the ASEAN Energy Business Forum on ASEAN Power Grid - From Study to Implementation 2022 co-organised by the ASEAN Centre for Energy panel discussion, ETP, and the Clean Affordable Secure Energy Program. Other panellists included USAID and the Electricity Generating Authority of Thailand. The panel highlighted the need for coordination to advance the region's ambition to establish the regional ASEAN Power Grid interconnection. Around 40 participants joined virtually.

ETP COORDINATION

ETP coordinates its projects and activities with donors and gathers input from country-level stakeholders, experts, beneficiary agencies, including the local posts of ETP funders.

ETP remains an active partner to government agencies and the development partner community, maintaining regular coordination and information sharing.
In the overall development and implementation of projects, ETP gathers input from key donor partners, experts, and beneficiary agencies.

In **Vietnam**, all ETP projects in the pipeline are designed and implemented based on the written request from government partners.

ETP regularly meets with key development partners, including the World Bank, the French Development Agency (ADB), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), UNDP, the Embassies of Australia, Denmark, and the United Kingdom (UK) to avoid overlaps in our activities and plans. ETP is an active member of the UK's rapid response facility (RRF) and the local coordinating platform of the Vietnam Energy Partnership Group.

In 2022, in the **Philippines**, ETP organised and co-chaired with the Department of Energy a donor's roundtable meeting to discuss respective donors' programmes. ETP served as the co-lead for the energy efficiency thematic working group for the UK's Energy Transition Council national dialogue.

In partnership with the Clean Affordable Secure Energy Program, USAID Energy Secure Philippines project, and Greenmap, ETP supports the enhancement of the second round of the Green Energy Auction Program.

In ETP's Energy Regulations Improvement project for the Energy Regulatory Commission, ETP coordinates with USAID's Energy Secure Philippines and the ADB to ensure that recommendations in the regulations are well aligned.

In addition, ETP supports the Energy Regulatory Commission with its consultation processes on the drafted adjustments to the regulations to remove any possible remaining contradictions with energy transition objectives.

In **Indonesia**, ETP is actively involved in the Friends of Indonesia Renewable Energy dialogue platform established by the Energy Transition Council (UK-ETC) and its two working groups on the coal phase-down and long-term energy modelling.

ETP is consistently seeking and developing collaborative projects among development partners to strengthen coordination and alignment and evade siloed efforts in implementing energy transition programmes.

For example, ETP collaborated with the Organisation for Economic Co-operation and Development, the Clean Affordable Secure Energy Program, the Financial Services Authority, and the Ministry of Energy and Mineral Resources for the Clean Energy Finance Training Week.

ETP supported engagement with the Indonesian stakeholders in this training and led energy efficiency consultations with the financing industry to assess access to finance for energy efficiency investments.

ETP coordinates with the funders' local posts, in the UK Mentari Program, AFD, with a focus on the wind investment and Program for Energy Efficiency in Buildings (PEEB), Germany through GIZ and CASE program, USAID-SINAR, ADB and World Bank and its Resource Based Loans program as well as the government officers from the Ministry of National Development Planning (Bappenas), the Ministry of Energy and Mineral Resources, the National Energy Council, the Ministry of Finance, Coordinating Ministry of Maritime and Investment Affairs, Coordinating Ministry of Economic Affairs, the Financial Service Authority, The President Staff Office, Perusahaan Listrik Negara, PT Sarana Multi Infrastuktur, and others.

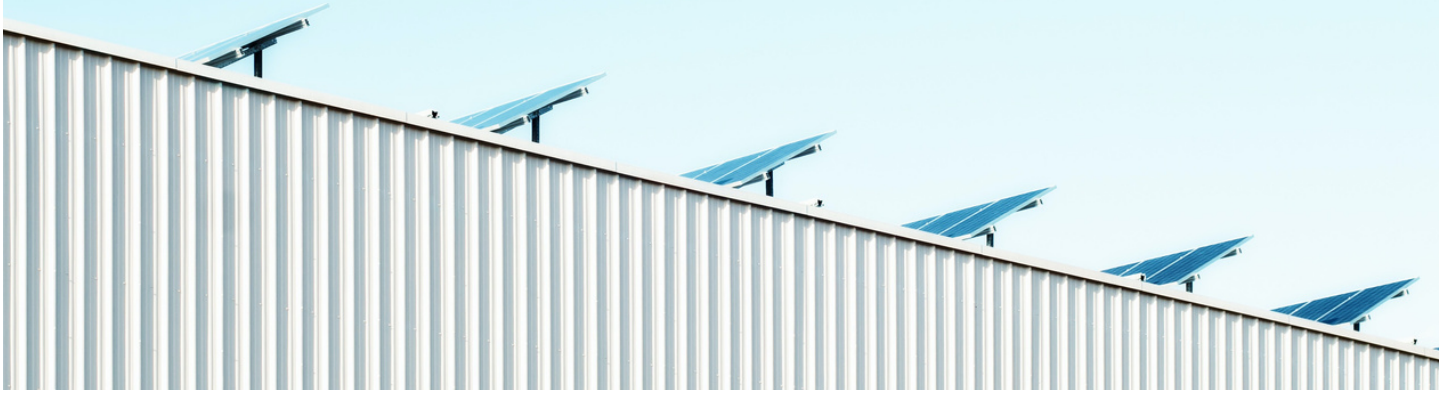
8

Funding Partners

$31,491,423

Funding committed by Members for ETP to accelerate energy transition across Southeast Asia

2022 SUSTAINABILITY MANAGEMENT PLAN



The Sustainability Management Plan is created to take stock of ETP's implementation of environmental and social considerations in ETP's strategy and operations including procurement, grant management, human resources, monitoring and evaluation, communication, and knowledge-sharing activities.

Operating under the UNOPS legal and regulatory framework, all UNOPS policies and procedures are applied to ETP. As part of providing support to the ETP project, key measures are implemented and verified by qualified UNOPS personnel.

- **In procurement operations:**

All ETP contractors and implementing partners are required to conduct an environmental and social risk assessment when the project scope and activities cover infrastructure components.

At present, ETP's flagship project in Indonesia, Detailed Design for Upgrading of Java-Bali Control Centre, involves infrastructural design work. The consultant has delivered a design concept with environmental and social considerations.

- **In contracting operations**:

For procurement contracts with a value exceeding US$ 50,000, a Supplier Sustainability Assessment is conducted to evaluate whether contractors operate responsibly and in accordance with high standards of integrity with a particular focus on the associated areas related to human rights, labour rights, ethical conduct, sexual exploitation and abuse and environmental responsibility.

In 2022, all new procurement contracts meeting this requirement were assessed on sustainability requirements prior to contract awards. For procurement contracts of value exceeding US$ 5,000, solicitation documents included sustainability requirements.

All of ETP's suppliers with contracts exceeding this amount have demonstrated commitment to sustainability considerations.

- **In office facilities:**

ETP is committed to reducing the carbon footprint of its offices, facilities, and operations and ETP aims to adopt a continuous improvement process pertaining to significant environmental aspects such as greenhouse gas emissions, waste minimisation, increased recycling, and elimination of unnecessary single-use plastic.

ETP is committed to maintaining a safe and healthy working environment in all work areas by systematically identifying hazards and risks associated with its activities and implementing measures to control these risks.

GENDER MAINSTREAMING ACHIEVEMENTS

With energy transition being everyone's business, the gender focus of the energy transition is pronounced for the transition to be fair and just.

Backed by UNOPS' commitment to sustainability and integration of gender perspectives and alignment with the UNOPS Gender Parity Strategy and UNOPS Gender Mainstreaming Strategy, ETP has developed and follows its own Gender Action Plan.

ETP Secretariat actively aims for a gender balance among its staff, implementing partners, and its programmes under the Gender Action Plan.

At the end of 2022, ETP has achieved its gender parity target as per its Gender Action Plan with the female-to-male ratio of the ETP team is 55%, and 6 out of 11 personnel are women. All joiners of ETP are trained in gender-related courses during their onboarding inductions.

At the governance level, ETP's Advisory Panel members were nominated by the Steering Committee members.

As a reflection of the energy sector gender skewness, ETP's Advisory Panel gender ratio remained at 29% or 13 female advisors out of a total of 37 Advisory Panel members. ETP Secretariat is focused on seeking female experts and industry and opinion leaders as its Advisory Panellists in the coming years.

At a programme level, ETP's Results-Based Monitoring Framework pursues gender-disaggregated indicator data, where possible, to monitor programme's impact on gender.

GENDER MAINSTREAMING COMMITMENTS

Grant Awards: With an effort to achieve its gender parity targets, ETP mainstreams gender perspectives into each stage of the grant management processes, including requirements definition, solicitation, and evaluation to improve women's empowerment. By the end of 2022, 50% of ETP implementing partners have female co-founders or executive management, thus exceeding the Gender Action Plan target of 20%.

Procurement Operations: Improving women's empowerment through ensuring that procurement activities consider gender aspects during the selection process, such as requiring contractors to include a detailed plan of project staffing requirements, and efforts to balance women and men in the project team and in terms of project beneficiaries, where applicable. 38% of staff from implementing partner organisations are women, almost reaching the target of 40%.

Knowledge Sharing: As part of knowledge sharing efforts, directly contributing to the Strategic Outcome 4, ETP is building the capacity of women leaders, and women-owned and managed entities by ensuring all capacity-building activities involve women in their target audiences. 44% of women participants attended ETP's and Australian National University-implemented, Energy Transition Masterclass in 2022. 33% of participants in consultations organised for strategic outcomes are women.

Communications Strategy: ETP's communications strategy considers gender sensitivity in its communications materials. All communications products from ETP use gender-inclusive language embraced diversity and avoided any inadvertent bias.

In 2022, ETP has worked with prominent female leaders in the energy transition in Indonesia, the Philippines, and Vietnam.

Ibu Sinthya Roesly is the Director of Finance at PLN, one of the world's largest electricity companies that supply electricity to 270 million people in the country and manages assets of US$ 107 billion.

FEMALE LEADERS IN ENERGY TRANSITION

Ibu Sinthya Roesly, Director of Finance, PLN

"From my experience, if we continue to provide value-added contributions, communicate well and work hard wherever we are assigned to, in every position during our career path, people will see the result beyond gender."

Ibu Sinthya Roesly has held various significant positions while working at Perusahaan Listrik Negara (PLN) - Indonesia's largest state-owned enterprise with US$ 107 billion in assets.

Her roles have included Manager of System Analysis and Evaluation, 2003 – 2006 and Deputy Director of Corporate Strategy and Planning from 2006-2009. Now, after serving as President Director of Penjaminan Infrastuktur Indonesia (Persero) in 2009 – 2017 (infrastructure guarantee company) and the Executive Director and Chairman of the Board of the Indonesian Export Financing Agency in 2017-2019, she returned to PLN as the Director of Finance, continuing her remarkable journey.

An engineer with a bachelor's degree in electrical engineering from the University of Indonesia and a Master of Engineering Science in Power Systems from the University of New South Wales, Australia, Ibu Sinthya is one of two women directors at PLN. In what remains a male-predominated sector, Ibu Sinthya is shaping perceptions about women in energy leadership.

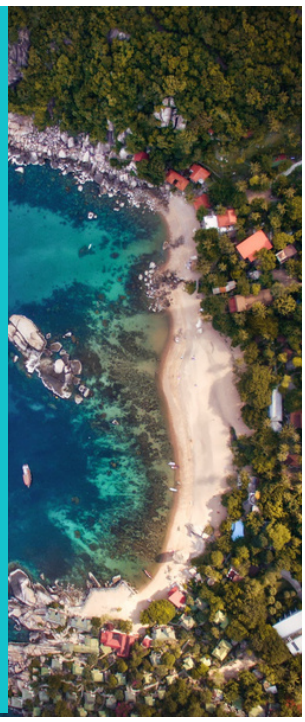
Regarding energy transition, Ibu Sinthya saw the need to upgrade the Java-Bali control centre to place PLN in a position where it can envisage transforming to a champion of energy transition and begin the process of adjusting the power system to a flexible and dynamic one, and able to reap the benefits of a low carbon energy system.

Through the upgrade project, she believes PLN will gain a strong footing as it prepares to embrace the energy transition. Moreover, the Java-Bali control centre will address a major impediment to variable renewable energy integration.

Thoughts on how Indonesia can rapidly achieve its energy transition targets, Ibu Sinthya expects Indonesia to need a set of affirmative policies that promote renewable energy, the development of the carbon markets in Indonesia, a renewable energy supply chain, technology, and national capacity for renewable technology adoption and incentive systems for accelerating renewable energy development. Ibu Sinthya emphasises that policy formulation requires significant diligence regarding considerations for energy sustainability, affordability, and accessibility.

Atty. Monalisa Dimalanta assumed the role of Chairperson of the Energy Regulatory Commission in August 2022. As she begins her seven year-term, she sets out the agency on a transformational journey towards achieving the highest levels of trust in energy regulation.

FEMALE LEADERS IN ENERGY TRANSITION



Attorney Monalisa Dimalanta
Chair, the Philippine Energy Regulatory Commission

A recognised practitioner in the energy industry, with more than 20 years of experience in the sector.

Chair Mona's journey is founded on and fuelled by a faithful commitment to the values of transparency and accountability in establishing a level playing field in the Philippine power industry.

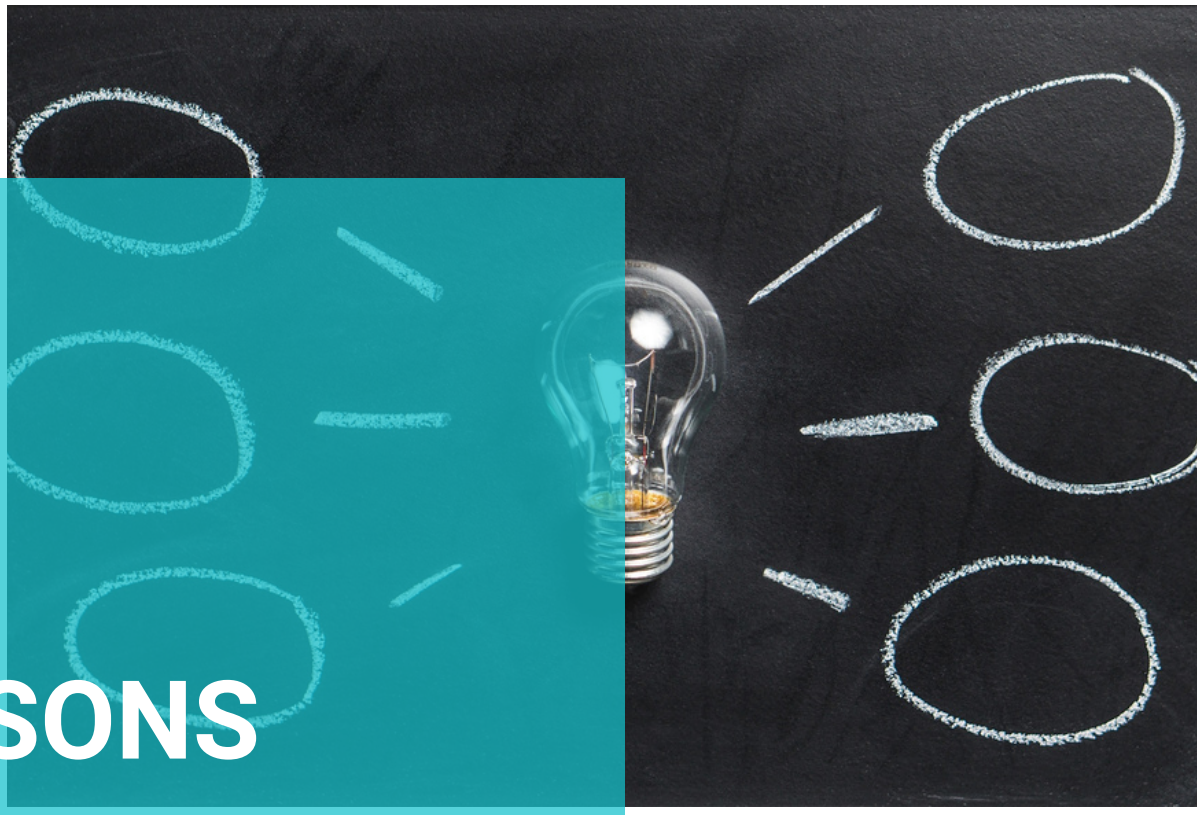
Chair Mona is a recognised practitioner in the energy industry in the Philippines and Southeast Asia, with more than 20 years of experience in the sector. She brings this expertise with her to the Energy Regulatory Commission together with her desire to institute at all levels in the agency a greater sense of professionalism and unmatched understanding of the evolving power sector. To do this, she puts a premium on open knowledge exchange not only among industry stakeholders but with other regulators in the region as well.

From 2019-2021, Chair Mona served as the Chairperson of the National Renewable Energy Board. During her two years as Chair, she steered the Board in fulfilling its mandate to support the government in implementing policy mechanisms under the Renewable Energy Act. She also led the review and update of the Philippines' 20-year renewable energy roadmap known as the National Renewable Energy Program.

Also a professor at the Ateneo de Manila Law School and a lecturer at the Ateneo School of Government, she obtained her Bachelor of Law from the University of the Philippines and her Master of Law from the University of Michigan Law School. In 2021, she completed her Senior Fellowship in Public Service at the Lee Kuan Yew School of Public Policy-National University of Singapore.

ETP has supported the Energy Regulatory Commission of the Philippines under the leadership of Chair Mona with a strategic review and revision of relevant regulations to facilitate integration of more variable renewable energy, wider adoption of smart grid technologies, and enhance the efficiency of the grids.

Chair Mona also advises ETP on its program more broadly, in how ETP can be helpful in creating a more enabling and competitive investment environment for renewables in Southeast Asia.



LESSONS LEARNED

1

Setting of Strategic Goals and Programme Results Expectation
Enhancing the strategic context at the programme level, ETP has conducted strategy planning, involving its advisors, implementing partners and stakeholders. This process drew on the collective understanding of actions and measures required for each ETP priority country to achieve their national goals for energy transition, expressed in peak emissions, net zero, renewable energy and energy efficiency targets.

2

Reporting and Governance Streamlining
Engagement of the ETP Steering Committee through dedicated sessions and extensive documents on the complex energy transition topics constitutes an informed process. It also poses a risk of delays and draws on funders' resources. ETP's funders seek sleek and crisp presentations that culminate in formal approvals. ETP is engaging a reporting professional to its team and streamlining its approval process.

3

Reporting on Interventions with Strategic Goals and Results Expectations
Enhancing contextual understanding of its Results-Based Monitoring Framework to draw line-of-sight logical and causal linkages between its interventions and the Paris Climate Goals, ETP is reviewing its Results-Based Monitoring Framework and implementing concrete adjustments to the monitoring and evaluation frameworks that feed into the ETP's programme level Results-Based-Monitoring-Framework.

4

Tailoring to Context to Achieve Maximum Impact
Adjusting the Fund’s approach to each country's context has proven crucial. ETP develops country and case-specific project scopes together with the country stakeholders to deliver value and to unlock the constraints to the energy transition by continuously updating the High-Level Technical Assistance Plans to incorporate intelligences from the changing landscape, developments and opportunities.

5

Implementing Agencies' Capacity Limitations
Inadequate capacity to deliver outputs and misalignment of understanding of the scope of work and result expectations may cause implementation risks and delays in achieving intended results. ETP conducts a careful implementing partner selection process, due diligence and capacity assessment, regular and result reviews, and monitoring processes that involve counterpart stakeholders and funders to ensure updated and accurate mutual understanding of the undertaking.

PEOPLE-CENTERED JUST TRANSITION

TARA is a regionally based regranting foundation with a vision of a just and thriving society in Asia powered by renewable energy.

Previously incubated by the European Climate Foundation, TARA is working to support a diverse group of partners to accelerate Asia's energy transformation.

TARA works in East, Southeast and South Asia (excluding India and China) and is headquartered in Singapore.

TARA applies a collective impact model, which recognises that no one organisation will achieve the deep change needed to decarbonise entire economies and that we need a wide variety of stakeholders, from policy advocates to technical experts to communications organisations to achieve accelerated and impactful change.

Clean acceleration: TARA's key priority over the coming 3 years will be to scale up their clean energy programmes across the region with the aim of understanding and addressing policy, regulatory and market barriers to renewable energy, including addressing market failures while ensuring that market structures are fit for absorbing large shares of renewable energy, and building capacity amongst civil society organisations to accelerate the energy transition.

Offshore wind: Ensure that offshore wind ambition is increased significantly across the region, particularly in the Philippines, Japan, South Korea and Taiwan, to ensure a major new source of reliable electricity. This will be achieved through technical assistance, research and analysis demonstrating the benefits of offshore wind, work on regulatory frameworks, and promoting auctions as a way of driving down cost.

Finance for clean: Accelerate public and private finance into clean energy in the region, with a particular focus on ensuring support for clean energy, goes into the most strategic areas namely de-risking private investment, removing remaining policy barriers, investing in hard to finance areas such as storage and grid, and facilitating early-stage investment.

Climate Policy: TARA's partners work to encourage governments to adopt net-zero commitments and upgrade their Nationally Determined Contributions. This includes bringing in a diverse set of voices from civil society, academia and industry sectors to call for more ambitious climate policies and renewable energy expansion.

RISK MANAGEMENT

#	Risk	Risk Rating	Risk Description & Mitigation
1	**Resource Sufficiency**	Medium to High	ETP Funders to achieve the expected fund envelope of US$ 50 million and beyond to accelerate the energy transition in the region. **Mitigation:** At the COP27 event in November 2022, the Government of Canada and the World Bank announced funding in ETP. ETP's Fundraising Strategy and activities are under implementation.
2	**Delayed Recruitments**	Medium to High	Unsuccessful recruitment processes delay ETP's effectiveness in accelerating the energy transition. **Mitigation:** ETP has proposed innovations, including expanding recruitment channels and upgrading positions to enable a broader pool of applicants to participate in the competition, use temporary positions, and local contractors.
3	**Delayed Project Implementation**	Low to Medium	ETP heavily relies on implementing partners' ability to perform and spend funds. Implementing partners fail to adhere to contractual obligations and perform the required scope of work. **Mitigation:** ETP considers building in longer lead times, conducting a capacity assessment, and better delivery planning. The Secretariat closely monitors the implementing partners' project implementation and provides guidance where necessary.
4	**Fiduciary Risks**	Low	Use of grant resources for profits, fraudulently, and for unjustified expenditures delays progress in accelerating energy transition. **Mitigation:** ETP ensures grantees adhere to UNOPS compliance requirements where the use of grant funding to generate profit is prohibited. ETP conducts thorough due diligence and monitors contracts regularly.
5	**Counterpart Government Collaboration**	Medium to High	Counterpart governments not acknowledging ETP's programme and accepting its support due to the abundance of ongoing support, limited coordination capacity, and lack of political will. **Mitigation:** ETP conducts enhanced and regular dialogue with the counterpart governments, frequent donor coordination efforts, and aims at accurate identification of energy transition support needs, involving its advisory panels.
6	**ETP's Role in Energy Transtion Being Challenged**	Medium to High	Other UN organisations with specific expertise question ETP's role in delivering energy transition work. **Mitigation:** ETP engages with key local stakeholders including local donor posts, partner country governments, and other UN agencies in the energy transition and highlights its focus on delivering and supporting the needs of its partner countries while building partnerships, wherever possible.

ANNEXES

ANNEX 1: ETP Theory of Change

Net Zero by 2050 Vietnam 2060 Indonesia	• GHG Emissions avoided or reduced – estimates of fossil fuel mix replaced in % (Coal, Natural Gas, Oil) • Average Air Quality Index (AQI) improved thus impact of pollution on health minimised • Green Jobs in low-carbon industries added			
SDGs and Paris Climate Targets/ JETP (By 2030)	• Climate action plans w.r.t. climate agreement targets and commitments • Energy Intensity (Efficiency)	• Share of renewable energy (RE) in the total final energy consumption (TFEC) • Share of RE in the total primary energy supply (TPES) • Additional RE (non-combustible) installed capacity (GW)		
Outcomes (By 2025)	Strategic Outcome (SO) 1 - Policy alignment with climate commitments	SO2 - De-risking EE and RE investments	SO3 - Sustainable resilient infrastructure - Smart Grids	SO4 - Knowledge and Awareness Building
Outputs (By 2025)	1.1 National RE and EE policies, regulations, standards, and energy plans reflect a clear commitment to Energy Transition agenda and integrated into sectoral plans to contribute to the achievement of Paris Agreement 1.2 National Fiscal policies, regulations, and Investment policies have undergone reforms to create an Investment Climate that is conducive to investment flow into RE/EE and improves its energy transition readiness for capital and investments 1.3 Energy transition agenda is centrally led and coordinated effectively at a National-level agency/institution that is tasked to champion the cause with right level of authority	2.1 National budgets indicate a resolve to maximise RE/EE capacity by allocating increased amount of public funds and attracting FDI in the RE/EE sector 2.2 De-risked project finance is accessible via financial institutions generating a pipeline of large-scale RE/EE projects	3.1 National energy strategy and sectoral plans involve evidence-based planning for an improved national-smart-grid system along with related infrastructure and innovative technologies	4.1. Stakeholders (relevant Government entities, Public sector companies, Financial institutions, Private entities, Academia, and Consumers) involved in the RE/EE value chain, are knowledgeable and better informed to advance the energy transition agenda

INTERIM FINANCIAL STATEMENT

Project: 22393-001 - Trust Fund Management and Secretarial Support to the Southeast Asia Energy Transition Partnership (ETP)
Partner(s): 1729 - Energy Transition Partnership
As on: 31 Dec 2022

Income:

Contributions			
		2020	5,166,666.00
		2021	7,026,165.29
		2022	9,325,824.00
			21,518,655.29
Interest			
		2020	1,699.89
		2021	17,000.39
		2022	60,593.53
			79,293.81
Miscellaneous Revenue			
		2022	18.37
			18.37
Total Income	A		21,597,967

Less: Project Expenses
Period-Years

2020			
		Project(s) Expense	81,178.98
		Management Fees	2,841.26
		Net Exchange Gain/Loss	94.97
			84,115.21
2021			
		Project(s) Expense	1,501,247.08
		Management Fees	52,543.64
		Net Exchange Gain/Loss	(506.53)
			1,553,284.19
2022			
		Project(s) Expense	4,101,654.24
		Management Fees	143,558.51
		Net Exchange Gain/Loss	377.81
			4,245,590.56
Total Expenditure	B		5,882,990
Less: Project Capitalised Assets:	C		0

Less: Project Advances	D	1,015
Project Cash Balance (Surplus)	A-B-C-D	15,713,963
Less: Actual Commitments		
PO Commitments	E	2,556,423
HR Commitments	E	33,967
Projected Fees on Commitments	E	90,664
Prepayments	E	0
Project Fund Balance (Surplus)	A-B-C-D-E	13,032,909

Notes:

- All amounts are in USD. Transactions in non-USD have been converted to USD at the UN operational rate of exchange as on the date of the transaction.
- This is an interim statement and figures are not final
- The report includes fee projections for open period(s)
- Project advances include operational advances, prepayments, petty cash, and any VAT payments to suppliers that have yet to be recovered.
- The statement is prepared in accordance to IPSAS reporting requirement, the reported figure under commitment is for information and it discloses only the expected utilisation of project funds as of the reporting period, these commitments are not charged as an expense until the goods are delivered or services rendered.

Certified by: 

Comment:

Channa May, Finance Manager, EAPMCO

Date:8 February 2023

Report run on: 7 Feb 2023

ANNEX 3: Project facts

ETP has collaborated with international sector experts and local implementation partners to support the country's stakeholders to advance the energy transition agenda in Indonesia, the Philippines, and Vietnam. ETP ensures that each project implementation has global expertise and local participation through its business model. The table below provides an overview of the 14 projects implemented in 2022:

Project	Implementation Partner	Country	Implementation Period	Grant Amount
Energy Transition Roundtable	ANU (Australian National University) and AMPERE	Regional	Dec 2021-Oct 2023	USD 480,750 (89% utilised)
Diagnostic Review of and Analysis of Energy Efficiency Development in Southeast Asia	EPS Capital	Regional	Nov 2021-Jan 2022	USD 46,635 (100% utilised)
De-risking Instrument to Accelerate Energy-Efficiency Business Transaction	CPI Global (INO)	Indonesia	Mar 2022 – Mar 2024	USD 492,792 (20% utilised)
Planning, Construction, Supervision and Commissioning Services for the PLN Main and Disaster Recovery Control Centres in Indonesia	ELC Electroconsults CESI	Indonesia	Sep 2021-Jan 2023	USD 1,625,170 (55% utilised)
Energy Efficiency and Energy Conservation Awareness Raising in the Education Sector	IIEE (The Foundation of Indonesian Institute for Energy Economics)	Indonesia	Mar 2022-Sep 2022	USD 60,044 (92% utilised)
Study on the Financial Implications of the Early Retirement of Coal-fired Power Plants in Indonesia	Hartree Consultores	Indonesia	Jul 2022-May 2023	USD 297,512 (34% utilised)
Philippines Battery Energy Market Mechanism Support Program	NEL Consulting and Intelligent Energy Systems	Philippines	Dec 2021-May 2023	USD 154,810 (68% utilised)
Upgrading Energy Regulations for the Energy Regulatory Commission of the Philippines	Ricardo AEA	Philippines	Dec 2021-Jan 2023	USD 235,681 (80% utilised)
ESCO-in-a-box for Southeast Asia	EP Group	Philippines	Mar 2022-Jun 2023	USD 313,658 (50% utilised)
Investment-grade Audit (IGA) Financing Program	Climargy	Philippines	May 2022-Oct 2024	USD 260,000 (27% utilised)
Philippines Grid Diagnostic and Roadmap for Smart Grid Development	RICARDO AEA	Philippines	Sep 2022-Mar 2023	USD 241,541 (14% utilised)
Review and Gap Analysis of the Existing Coal Abatement Scenarios for Vietnam	Vietnam Initiative for Energy Transition (VIET SE)	Vietnam	Aug 2021-Jan 2022	USD 209,000 (95% utilised)
Consultancy Services for Energy Transition Partnership of Wind Development in Vietnam	Intelligent Energy Systems Pty Ltd	Vietnam	Jul 2022-Aug 2022	USD 26,110 (100% utilised)
Roadmap for the Commission for Management of State Capital toward Net-Zero Emission in Energy State-Owned Enterprises	VIET SE	Vietnam	Aug 2022-Jan 2023	USD 190,000 (43% utilised)
Impact Assessment of EU's Carbon Border Adjustment Mechanism	Green Climate Innovation Company Limited	Vietnam	Nov 2022 - Jan 2024	USD 594,806 (7% utilised)

ANNEX 4: ETP's Results Review Methodology

ETP seeks to partner with governments, the private sector, and civil society to harness the vast untapped potential of renewable energy in the energy supply for Southeast Asia to meet the rapidly growing demand for energy in the region. It also pursues the significant opportunities that energy efficiency measures offer and the socio-economic opportunities and benefits associated with a sustainable and just energy transition.

At the onset of the partnership, ETP established the approach to managing the programme's results and developed a Results-based Monitoring Framework, which presents a path to the management of results of the ETP program, can guide its implementation, and provide transparent updates.

The framework design considers the following:

- Management decision-making led focus - ensuring clear documentation of lessons from implementation to facilitate replication and scale-up of programmes in the Southeast Asian Region.
- A results-based management approach to ensure the quality of design, implementation, and monitoring for course correction.
- Rooted in ETP's theory of change, which helps organise and guide the causal linkages between the outputs and outcomes and the expected impacts of the ETP.
- Combine a long-term perspective with an adaptive approach based on the evolving needs of the energy transition.
- Participatory and inclusive processes that promote and incorporate inputs from a wide range of stakeholders to enable the representation of diverse values and often competing perspectives to improve the uptake of the intelligence generated from monitoring and evaluation activities in an ongoing program, project management, and decision-making.

For each project approved under the ETP work plan, ETP develops a monitoring and evaluation framework to monitor the outputs using a combination of qualitative and quantitative indicators, aligned with the Results-Based Monitoring Framework of the partnership and assess the impact by the ETP and its partners. Results are collated and reported on a half-yearly and annually by the ETP secretariat to its Steering Committee.

The purpose of this monitoring and evaluation is to provide a pathway for tracing how outputs generated under ETP's work contribute to the progress for energy transition and toward ETP's four strategic outcomes and the overall programme impact goals that are defined in the Nationally Determined Contributions, net-zero targets, Renewables and Energy Efficiency targets, and the Paris Climate Agreement and the Just Energy Transition
Partnership Declarations.

ETP has undertaken a detailed multi-step approach to enable the framework implementation, collect and analyse data on a critical project and programme indicators and report the outcomes to demonstrate programme success. Below is a brief description of this exercise's key activities.

Document review

- Review of project documents for all completed, ongoing and planned initiatives including inception reports, milestone reports, final reports and documents submitted to project stakeholders

Data collection

- Interviews with implementing partners and grantees to assess project status and develop their understanding of the Results-Based Monitoring Framework
- Adaptation of Results-Based Monitoring Framework to project specifications for data inputs on indicators, targets, achievements and data sources
- Evaluation of Results-Based Monitoring Frameworks submitted by implementation partners and grantees for completeness and accuracy and made necessary adjustments
- Verification of project data with country managers and programme managers

Data analysis and reporting

- Data analysis to track project progress and achievements
- Aggregation of results at the strategic outcome and programme level to demonstrate programme implementation and achievements
- Synthesis of information in monitoring and evaluation report

THANK YOU
FOR YOUR SUPPORT TO ETP

Southeast Asia Energy Transition Partnership is hosted with the United Nations Office for Project Services, located in Bangkok, Thailand.

14th floor, 208 Wireless Road
+66 02-2134567
etp@unops.org

ENERGYTRANSITIONPARTNERSHIP.ORG

SOUTHEAST ASIA ENERGY TRANSITION PARTNERSHIP

@SEA_ETP_ORG