

# **VIETNAM'S FUTURE TRANSITION TO OFFSHORE WIND AUCTIONS: INTERNATIONAL BEST PRACTICES AND LESSONS LEARNED**

July 2021

## Appendix A-D

# APPENDIX A: QUESTIONNAIRE - INDUSTRY STAKEHOLDERS

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## Part A: Awareness of Global Offshore Wind Policy

1. On a scale of 1-5, how would you describe your current knowledge of **global** offshore wind policy, in particular the design of auctions, where 1 = no knowledge, 5 = a very good knowledge. Please also provide brief commentary regarding why this is – for example, the novelty of the industry in Vietnam, lack of dissemination etc.
2. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** In your view, which countries are leaders in best practice for offshore wind auction design, and why?
3. What do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding the **development and installation** of offshore wind? These could be environmental, political, geographical, economic or any other issue that may affect the outlook of the offshore wind industry.
  - (a) *\*For respondents with moderate to very good knowledge of global offshore wind policy\** More specifically, what do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding **policy design** for offshore wind? These could be political, economic, social or any other issue that may affect implementation of offshore wind policy.

## Part B: Key Concerns in Auction Design

1. What should a **well-designed auction** deliver or prioritise for the development of the offshore wind industry in Vietnam. For example, select any of the options below or suggest your own:
  - a. Lowest cost of electricity
  - b. Socio-economic benefits, such as jobs, to local communities and industries
  - c. Protection of marine industries like fishing and environments
  - d. Largest growth in offshore wind installed capacity
  - e. Creating a competitive and open market for investment and local suppliers
  - f. Encouraging innovation
  - g. Other – What are the key aspects of policy design / auction design that are most critical to your organisation's confidence in building a sustainable offshore wind industry in Vietnam?
2. What is your opinion of the **current Feed-in Tariff system** in Vietnam to support nearshore and offshore wind? For example, please comment on any of the below aspects or suggest your own:

- a. Policy implementation (e.g. level of consultation with different stakeholders and communities, industry involvement, policy stability, transparency of decisions)
  - b. Tariff level
  - c. Duration of support
  - d. Transition and phase-out of FiT system
  - e. Other – suggest your own
3. Are your main interests in auctions that decide the **leasing of the seabed**, or in auctions that determine **access to grid offtake / subsidy**? Or both?
  4. In your opinion, what sort of stakeholder engagement or consultation activities would be useful for the government to undertake prior to finalising any policy decisions?

#### Part C: Best Practice Ideas

1. What is your view on **transition periods for policy changes**? Would you prefer to see an overlap of policy models or a clear cut-off where one ends, and another starts?
2. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** What is your view on '**all-in-one**' **auction models** where the site, subsidy and offtake are all wrapped into one auction (e.g. Netherlands, old Denmark model), versus segregated models where different sites compete against one another for access to subsidy or offtake (e.g. UK, new Taiwan model)? Or are hybrid models (e.g. new Denmark model) a better solution?
3. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** Do you have any case studies or examples of renewable energy policy where a **good balance** has been struck between maintaining flexibility in policy design whilst also ensuring stability and investor confidence?

#### Part D: Other Thoughts

Please feel free to share any other thoughts or comments you have that were not covered in the previous questions.

# APPENDIX B: QUESTIONNAIRE - GOVERNMENT STAKEHOLDERS

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## Part A: Awareness of Global Offshore Wind Policy

1. On a scale of 1-5, how would you describe your current knowledge of **global** offshore wind policy, in particular the design of auctions, where 1 = no knowledge, 5 = a very good knowledge. Please also provide brief commentary regarding why this is – for example, the novelty of the industry in Vietnam, lack of dissemination etc.
2. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** In your view, which countries are leaders in best practice for offshore wind auction design, and why?
3. What do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding the **development and installation** of offshore wind? These could be environmental, political, geographical, economic or any other issue that may affect the outlook of the offshore wind industry.
  - (a) *\*For respondents with moderate to very good knowledge of global offshore wind policy\** More specifically, what do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding **policy design** for offshore wind? These could be political, economic, social or any other issue that may affect implementation of offshore wind policy.

## Part B: Key Concerns in Auction Design

1. What should a **well-designed auction** deliver or prioritise for the development of the offshore wind industry in Vietnam. For example, select any of the options below or suggest your own:
  - a. Lowest cost of electricity
  - b. Socio-economic benefits, such as jobs, to local communities and industries
  - c. Protection of marine industries like fishing and environments
  - d. Largest growth in offshore wind installed capacity
  - e. Creating a competitive and open market for investment and local suppliers
  - f. Encouraging innovation
  - g. Other – What are the key aspects of policy design / auction design that are most critical to your organisation's confidence in building a sustainable offshore wind industry in Vietnam?
2. In your opinion, what sort of stakeholder engagement or consultation activities would be useful for a government to undertake prior to finalising any policy decisions?

#### Part C: Best Practice Ideas

1. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** What is your view on '**all-in-one**' **auction models** where the site, subsidy and offtake are all wrapped into one auction (e.g. Netherlands, old Denmark model), versus segregated models where different sites compete against one another for access to subsidy or offtake (e.g. UK, new Taiwan model)? Or are hybrid models (e.g. new Denmark model) a better solution?
2. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** Do you have any case studies or examples of renewable energy policy where a **good balance** has been struck between maintaining flexibility in policy design whilst also ensuring stability and investor confidence?

#### Part D: Other Thoughts

Please feel free to share any other thoughts or comments you have that were not covered in the previous questions.

# APPENDIX C: QUESTIONNAIRE – INVESTMENT COMMUNITY STAKEHOLDERS

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## Part A: Awareness of Global Offshore Wind Policy

1. On a scale of 1-5, how would you describe your current knowledge of **global** offshore wind policy, in particular the design of auctions, where 1 = no knowledge, 5 = a very good knowledge. Please also provide brief commentary regarding why this is – for example, the novelty of the industry in Vietnam, lack of dissemination etc.
2. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** In your view, which countries are leaders in best practice for offshore wind auction design, and why?
3. What do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding the **development and installation** of offshore wind? These could be environmental, political, geographical, economic or any other issue that may affect the outlook of the offshore wind industry.
  - (a) *\*For respondents with moderate to very good knowledge of global offshore wind policy\** More specifically, what do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding **policy design** for offshore wind? These could be political, economic, social or any other issue that may affect implementation of offshore wind policy.

## Part B: Key Concerns in Auction Design

1. What should a **well-designed auction** deliver or prioritise for the development of the offshore wind industry in Vietnam. For example, select any of the options below or suggest your own:
  - a. Lowest cost of electricity
  - b. Socio-economic benefits, such as jobs, to local communities and industries
  - c. Protection of marine industries like fishing and environments
  - d. Largest growth in offshore wind installed capacity
  - e. Creating a competitive and open market for investment and local suppliers
  - f. Encouraging innovation
  - g. Other – What are the key aspects of policy design / auction design that are most critical to your organisation's confidence in building a sustainable offshore wind industry in Vietnam?
2. What is your opinion of the **current Feed-in Tariff system** in Vietnam to support nearshore and offshore wind? For example, please comment on any of the below aspects or suggest your own:

- a. Policy implementation (e.g. level of consultation with different stakeholders and communities, industry involvement, policy stability, transparency of decisions)
  - b. Tariff level
  - c. Duration of support
  - d. Transition and phase-out of FiT system
  - e. Other – suggest your own
3. Are your main interests in auctions that decide the **leasing of the seabed**, or in auctions that determine **access to grid offtake / subsidy**? Or both?
  4. How does government policy typically affect your investment decisions – either the timing, the size or the types of investment? Given the PPA bankability issue, how can auction design mitigate the risks to investors?
  5. In your opinion, what sort of stakeholder engagement or consultation activities would be useful for the government to undertake prior to finalising any policy decisions?

#### Part C: Best Practice Ideas

1. What is your view on **transition periods for policy changes**? Would you prefer to see an overlap of policy models or a clear cut-off where one ends, and another starts?
2. Where do you see the most potential for the **investment community to be involved** in the growth of offshore wind in Vietnam? For example, PPA bankability, investing in the supply chain, investing in constructed projects, investing in development projects, or any other investment opportunities not listed.
3. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** What is your view on '**all-in-one**' **auction models** where the site, subsidy and offtake are all wrapped into one auction (e.g. Netherlands, old Denmark model), versus segregated models where different sites compete against one another for access to subsidy or offtake (e.g. UK, new Taiwan model)? Or are hybrid models (e.g. new Denmark model) a better solution?
4. *\*For respondents with moderate to very good knowledge of global offshore wind policy\** Do you have any case studies or examples of renewable energy policy where a **good balance** has been struck between maintaining flexibility in policy design whilst also ensuring stability and investor confidence?

#### Part D: Other Thoughts

Please feel free to share any other thoughts or comments you have that were not covered in the previous questions.

# APPENDIX D: QUESTIONNAIRE – FISHING COMMUNITY STAKEHOLDERS

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## Part A: Awareness of Global Offshore Wind Policy

1. On a scale of 1-5, how would you describe your current knowledge of **global** offshore wind policy, in particular the design of auctions, where 1 = no knowledge, 5 = a very good knowledge. Please also provide brief commentary regarding why this is – for example, the novelty of the industry in Vietnam, lack of dissemination etc.
2. What do you believe are the key similarities and differences of Vietnam to other countries and markets, such as the UK, Denmark, Netherlands and Taiwan, regarding the **development and installation** of offshore wind? These could be environmental, political, geographical, economic or any other issue that may affect the outlook of the offshore wind industry.

## Part B: Key Concerns in Auction Design

1. What should a **well-designed auction** deliver or prioritise for the development of the offshore wind industry in Vietnam. For example, select any of the options below or suggest your own:
  - a. Lowest cost of electricity
  - b. Socio-economic benefits, such as jobs, to local communities and industries
  - c. Protection of marine industries like fishing and environments
  - d. Largest growth in offshore wind installed capacity
  - e. Creating a competitive and open market for investment and local suppliers
  - f. Encouraging innovation
  - g. Other – What are the key aspects of policy design / auction design that are most critical to your organisation's confidence in building a sustainable offshore wind industry in Vietnam?
2. What is your opinion of the **current Feed-in Tariff system** in Vietnam to support nearshore and offshore wind? For example, please comment on any of the below aspects or suggest your own:
  - a. Policy implementation (e.g. level of consultation with different stakeholders and communities, industry involvement, policy stability, transparency of decisions)
  - b. Tariff level
  - c. Duration of support
  - d. Transition and phase-out of FiT system
  - e. Other – suggest your own
3. Are your main interests in auctions that decide the **leasing of the seabed**, or in auctions that determine **access to grid offtake / subsidy**? Or both?
4. In your opinion, what sort of stakeholder engagement or consultation activities would be useful for the government to undertake prior to finalising any policy decisions?



Part C: Best Practice Ideas

1. What is your view on **transition periods for policy changes**? Would you prefer to see an overlap of policy models or a clear cut-off where one ends, and another starts?
2. Does your organisation have any views regarding **offshore wind site selection** – for example, is there a preference for sites to be selected by developers themselves or by a central body (e.g. government)?
3. How should national and provincial governments conduct **consultation on offshore wind with the fishing community**, so that the impacts (positive or negative) on your industry are well understood?

Part D: Other Thoughts

Please feel free to share any other thoughts or comments you have that were not covered in the previous questions.