

# Topic 1: Analysing the impact of the energy transition on vulnerable groups in society

## Overview

Vietnam has made substantial commitments towards achieving net zero emissions by 2050. On 14 December 2022, a significant stride was made in this direction when the Government of Vietnam and the International Partners Group (IPG), comprising several global powers, announced the Political Declaration on Establishing the Just Energy Transition Partnership (JETP). This partnership represents a “a long-term, ambitious partnership to support Vietnam's low-emission and climate resilient development, as well as to support Vietnam to accelerate the just transition and decarbonisation of the electricity system and develop new economic opportunities to support Vietnam's transition towards net zero future” (paragraph 17).

The establishment of the JETP places social considerations at the heart of the energy transition, contributing to a shift that is just, equitable, and inclusive. However, the practical implementation of the JETP raises several questions. Firstly, a just energy transition will have profound impacts on the economy, work, and employment, presenting both opportunities and risks. In Vietnam, there are about 95,000 jobs in the mining sector, power generation, and related energy services that may be affected by a full coal phase-out. However, a report from the Friedrich-Ebert-Stiftung Vietnam Office suggests that the energy transition will result in an increase of between 1.61 to 1.93 million job-years under various energy transition scenarios by 2030, since the energy transition will include large deployment of solar photovoltaics (PV) and wind power, with jobs in manufacturing, construction, and the operation and maintenance of renewable energy plants.<sup>1</sup>

To deliver these projections, it is crucial to measure the impact of energy transition on vulnerable groups and therefore establish an appropriate enabling environment that maximises employment benefits in Vietnam's power sector. This includes fostering job creation within the renewable energy sector and smoothing labour market transition risks by considering skill-overlap and complementarity between employment in the coal and renewable sectors.

## Research Questions

Research funded under this call should aim to measure the impact of the energy transition on vulnerable groups and provide informative results to guide better policymaking for a just energy transition pathway. The research should address one or more of the following areas:

- **Datasets construction:**
  - How can we accurately identify, measure, and evaluate green jobs?
  - How can we build datasets on green skills and green jobs, and what methodologies should be used for conducting surveys in this area?
- **Labour Market Dynamics:**
  - Which new sectors will emerge with the green transition, and how will these create employment opportunities for women and social minority groups?

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<sup>1</sup> Neefjes, K. & Nhien, N.T.T. (2021). *Prospects for a Socially Just Energy Transition in Viet Nam: 2021 and Beyond*. Hanoi: Friedrich-Ebert-Stiftung Viet Nam Office, April 2021. Retrieved from <http://library.fes.de/pdf-files/bueros/vietnam/18201-20210907.pdf>

- What is the estimated number of new jobs that will appear in the renewable energy sector?
- Will these new jobs be of higher quality compared to those in the high-carbon industries?
- **Enabling Environment:**
  - How can an enabling environment be ensured that maximises employment benefits in Vietnam's power sector, focusing on fostering job creation within the renewable energy sector and mitigating job losses from the transition away from coal?
  - How can the impacts be valued effectively?

Applicants are invited to identify the most appropriate analytical methods for their research. Proposals may use various data sources, including macroeconomic statistics, fiscal data, labour market statistics, and household surveys. Alternative approaches and data sources may also be proposed where appropriate.

## Key Stakeholders

An essential requirement of research funded on this topic is that it is carried out in close cooperation with key Vietnam stakeholders. This means proposals should also include a clear plan for consultation with stakeholders, working with them from the start to discuss assumptions and methods and to communicating results clearly. Proposals should also include plans for capacity building where appropriate. Potential government stakeholders may include:

- **Government Agencies:**
  - Engage with Ministry of Labor, Invalids and Social Affairs (MOLISA) to see if there is any effort to build a taxonomy of green jobs
  - Ministry of Industry and Trade (MOIT)
  - Ministry of Natural Resources and Environment (MONRE)
- **International Organisations:**
  - United Nations Development Programme (UNDP)
  - International Labour Organization (ILO)
  - World Bank
- **Academic and Research Institutions:**
  - Vietnam National University, Hanoi (VNU)
  - National Economics University, Hanoi (NEU)
  - Institute of Labor Science and Social Affairs (ILSSA)
  - Hanoi University of Science and Technology
- **Labour Unions and Worker Associations:**
  - Vietnam General Confederation of Labor (VGCL)
  - Industry-specific labour unions (e.g., coal miners' unions)
- **Private Sector:**
  - Renewable energy companies (e.g., solar and wind power firms)
  - Industry associations (e.g., Vietnam Energy Association)