



EMBASSY OF DENMARK

Press release

First ceramic household enterprises in Vietnam received Energy Savings Awards from Denmark

Hanoi, 24 February 2016

On 24 February 2016, the Ambassador of Denmark, Charlotte Laursen, presented the first Energy Savings Awards of VND 141 million and VND 132 million to two ceramic enterprises Vu Van Hung and Nguyen Van Lan at Kim Lan village, Gia Lam, Ha Noi for their successful investment of new gas firing kilns (LPG kilns) that help saved energy and reduced CO2 emission significantly.

The energy saving awards is an initiative of the Green Investment Facility (GIF) – a Fund that stimulate energy efficiency investments by Vietnamese small and medium enterprises (SMEs). GIF was established in early 2015 by Embassy of Denmark in cooperation with Ministry of Industry & Trade of Vietnam (MOIT).

Speaking at the event for presentation of the energy savings awards, Ambassador Charlotte Laursen said *“Several areas of Danish know-how in green technology sector are very relevant to the energy challenges faced by Vietnam. We hope that our support through Green Investment Facility will raise awareness about energy efficiency amongst SMEs and facilitate the replication of supported energy efficiency ideas in other provinces and sectors”*.

Mr. Do Duc Quan, Deputy Director General of the General Department of Energy, MOIT expressed: *“Using modern, energy saving technology is helpful not only for improving living condition of the households but also for transforming the environment in their village. Replication of converting into LPG kilns is the right solution which will strengthen the competency of Kim Lan products and its position in the market”*.

With the conversion from coal firing kilns to LPG kilns, Vu Van Hung ceramic enterprises had successfully reduced their CO2 emission by 89.9% and saved 77.98% energy consumption, and Nguyen Van Lan reduced CO2 emission by 74% and saved 61.05% energy consumption.

Hung and Lan were the first two enterprises in Kim Lan village to receive bank loan with financial guarantee from GIF. There will be at least 20 more enterprises to implement the new technology with support from GIF in the future.

Background

Ceramic producers at Kim Lan village to implement energy saving kilns

Ceramic producers of Kim Lan village located in Gia Lam District, southeast of Hanoi were one of the first to respond to the support offered by the Green Investment Facility. For a long time, household enterprises of Kim Lan village have been using the traditional coal kilns, as they cost very little to build. However due to lack of insulation, coal kilns consume large amounts of energy. Also they pollute the village with the coal dust and smoke, which is dangerous for the health of the children and families living around the kilns.

However the household enterprises of Kim Lan could not modernize to LPG kilns as they do not have access to capital and were afraid of making the necessary investments. With the support from Green Investment Facility and Vietcombank, 02 enterprises (Vu Van Hung and Nguyen Van Lan) had successfully converted to LPG kilns.

Currently Kim Lan village has about 100 ceramic households, of which 25 are expected to implement the EE/CO2 reduction (coal to LPG conversion) projects with the support from Green Investment Facility, thereby building up the confidence of the rest to replicate the same on their own with loans from the banks.

About GIF and LCEE

Denmark has decided to support investments in energy efficiency in Vietnam with USD 11 million following the comprehensive partnership agreement between Vietnam and Denmark and the close and fruitful cooperation between many Danish and Vietnamese companies.

The Embassy of Denmark in Vietnam, working in conjunction with Ministry of Industry and Trade, has put in place a fund of USD 6,5 million for the Green Investment Facility (GIF) whereby local commercial banks will work with small and medium enterprises and verify qualified projects to which Embassy will provide 50% financial support via ANZ's guarantee. The financing mechanism has been operational since January 2015, which is expected to support about 100 energy efficiency / CO2 reduction projects by SMEs before the end of June 2017.

Since 1994 Denmark has provided Vietnam with more than USD 1.3 billion in development assistance. Through this support Denmark has contributed to the strong growth and economic development which has taken place in Vietnam.

For further information about GIF, please visit www.lcee.vn.

For information about the Denmark and Vietnam and the Embassy of Denmark in Vietnam please visit: www.vietnam.um.dk and <https://www.facebook.com/dkvietnam>

For media enquiries, please contact:

Ms. Trương Uyên Ly
Press Officer
The Embassy of Denmark in Vietnam
Tel: +84 (4) 38231888
Mobile: +84 913694389
Email: lytruonguyen@gmail.com