# ENERGY-FOOD-WATER SECURITY NEXUS IN VIET NAM

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A dissertation submitted to the University of Technology Sydney in fulfilment of the requirements for the degree of Doctor of Philosophy (Energy Planning and Policy)

#### **CERTIFICATE OF AUTHORSHIP/ORIGINALITY**

I, Thi Anh Phuong Nguyen declare that this thesis, is submitted in fulfilment of the requirements for the award of Doctor of Philosophy, in the School of Information, Systems and Modelling at the University of Technology Sydney.

This thesis is wholly my own work unless otherwise reference or acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis. This document has not been submitted for qualifications at any other academic institution. This research is supported by the Australian Government Research Training Program.

Signature of Candidate

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### ABBREVIATIONS/GLOSSARY

ADB Asian Development Bank

ADV Advanced Scenario

APEC Asia - Pacific Economic Cooperation

ASEAN Association of South East Asian Nations

BCE Before the Common Era

CES Constant Elasticity Substitution
CGE Computable General Equilibrium

CLEW Climate, Land, Energy, and Water

CO<sub>2</sub> Carbon Dioxide

CPV Communist Party of Vietnam

DO Diesel Oil

DSI Data Sciences International

ECHAM4 European Centre Hamburg Model, 4<sup>th</sup> edition

E-F-W Energy-Food-Water

ESCAP The United Nations Economic and Social Commission for Asia and

the Pacific

EVN Vietnam Corporation of Electricity
FAO Food and Agriculture Organization

FEM Fixed Effects Model

GDP Gross Domestic Product

GMS Greater Mekong Sub-region

GSO General Statistics Office

GSOVN General Statistics Office of Vietnam

GW Giga Watt

ICOR Incremental Capital and Output Ratio

IEA International Energy Agency
IFS International Food Standard

IGCC Integrated Gasification Combined Cycle

IMF International Monetary Fund

IO Input-Output

KVA Kilo Volt-Ampere

Laos' PDR Laos Peoples Democratic Republic

LCA Life Cycle Analysis

MARD Ministry of Agriculture and Rural Development

MENA Middle East and North Africa

MOD Moderate Scenario

MOIT Ministry of Investment and Trade

MONRE Ministry of Natural Resources and Environment

MW Mega Watt

NSSO National Sample Survey Office

NSW New South Wales

OECD Organisation for Economic Co-operation and Development

REM Random Effects Model

SC1-BAU Scenario 1 - Business as Usual

SC2-Energy Scenario 2 - Energy SC3-Food Scenario 3 - Food

SC4-Water Scenario 4 - Water

SC5-E-F-W Scenario 5 - Energy- Food- Water

SC6-Low Carbon Scenario 6 - Low Carbon SERC South-East River Cluster TOE Tonnes of Oil Equivalent

UN United Nations

UNDP United Nations Development Programme

UNEP The United Nations Environment Programme

USDA United States Department of Agriculture

VCGM Vietnam Competitive Generation Market

VCP Vietnam Communist Party

WB World Bank

WEM Water-Extraction Mechanism

### **ABSTRACTS**

The security of Energy, Food and Water (EFW) – basic human necessities – have lately emerged as a key policy challenge for the Vietnamese policy-makers. This research is premised on the argument that current policy focus for ensuring EFW security is deficient as it is based on siloed thinking, neglectful of the complex, multifaceted, interlinkages (nexus) between EFW, the economy, the society and the environment. An integrated approach to policy, informed by the nexus will therefore be needed to redress the security challenge. Against this backdrop, this research analyses the impacts of alternative developmental pathways (scenarios) on EFW security and the economic, social and environmental domains for Vietnam for the period 2014-2030. These scenarios represent different policy foci, for example; SC1-BAU (Business-as-Usual) Scenario representing continuation with existing policy trends; SC2 Scenario emphasising energy security; SC3 Scenario – food Security; SC4 Scenario – water security; SC5 Scenario – EFW security; and SC6 Scenario - EFW security with specific priority on the environment. Each scenario is underscored by its own technological, economic and other assumptions which are broadly in accord with the current or likely trends in Vietnam. The EFW security and wider impacts of each scenario are assessed in this research through the application of an EFW-security-extended input-output based integrated framework (model), specifically developed for this research. The analyses of these impacts suggest that continuation with existing policy trends will produce detrimental EFW security, and economic, social and environmental outcomes for Vietnam. SC2, SC3 and SC4 scenarios (emphasising energy, food and water security, respectively) will produce superior outcomes in their specific domains but inferior outcomes in other domains (for example, in the S2 scenario energy security will improve appreciably, but at the expense of food and water security). The nexus scenarios (i.e., SC5 and SC6), while producing the best overall EFW security and overall economy-wide outcomes, do offer distinctive choices. SC5 produces extremely positive EFW security and economic and social, but relatively inferior environmental (CO2 emissions), outcomes; SC6 on the contrary produces considerably positive EFW security, social and environmental outcomes, but relatively lower economic outcome (with approximately one percent lower GDP in comparison with SC5 scenario). Such insights into the impacts of various (nexus and non-nexus scenarios) and, more pertinently, associated trade-offs across the scenarios, should – it is contended – provide the Vietnamese policy makers a much robust platform to inform their policy choices to promote EFW security, while ensuring the much-needed socio-economic development of the nation.