

Performance Audit of Renewable Energy Development

Audit Objective:

To assess the effectiveness of the Government's effort in encouraging private investment in renewable energy development to improve the proportion of renewable energy in the national energy mix.

Audit Scope:

Planning, implementation, monitoring, and evaluation of the program related to improvement of renewable energy in the national energy mix from 2017 to 2019.

Audit Criteria:

The criteria are derived from relevant regulation, best practices, and international convention related to energy management and development, which consist of planning, implementation, and monitoring and evaluation. The criteria addressed the following aspects:

1. Policy and regulation to support renewable energy development;
2. Accurate and reliable renewable energy potential data and projection of energy needs;
3. Financial aspects; and
4. Technology and infrastructure.

Significant Findings:

1. Incoherence in cross-sectoral policies.
2. Insufficient licensing process.
3. Inadequate renewable energy potential data.
4. Ineffective incentive schemes and pricing mechanism.
5. Inadequate financing instruments.
6. Inadequate Government's commitment in renewable energy research and development.

Audit Recommendations:

1. To intensify cross-sectoral coordination.
2. To encourage relevant ministries to simplify the licensing process.
3. To improve and integrate the potential data and limitation and to publish it in an online platform.
4. To establish and improve the pricing mechanism.
5. To establish a funding source for renewable energy development.
6. To improve the research and development in renewable energy.

Management Response:

The management accepted the recommendations and will follow up accordingly.