

Electricity poverty reduction and progress towards the sustainable development goal 7: Vietnam, 2008-2018.

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Abstract

We estimate the reduction of electricity poverty in Vietnam from 2008 to 2018 using national household surveys. We find that in 2018, the fraction of households with access to electricity was over 98%, the median level of electricity usage was 139 kWh per month per household, and the electricity bill weighted less than 6% of income for 92% of households. The macroeconomic inequality in electricity consumption was lower than income inequality. In 2014, the fraction of households declaring unsatisfied electricity needs was below three per cent. This indicator indicates that Vietnam has mostly reached the Sustainable Development Goal 7 Affordable and clean energy for all (SDG7). We find that the electricity subsidy mechanism contributes more to alleviating poverty (SDG1) than to SDG7. While there remains households who cannot afford to turn on fans or air conditioner during a heatwave, the engineering, economic and socio-political perspectives converge to indicate that electricity poverty was not an acute social issue in 2018.

Keywords :

Electricity poverty, Vietnam, Sustainable Development Goals, Indicators

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