

Special Alert

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Key Updates on the Implementation Plan for the Vietnam National Power Development Plan VIII

On 1 April 2024, the Prime Minister issued Decision No. 262/QĐ-TTg (the “**Implementation Plan**”) outlining the implementation plan for the national electricity development plan for the period 2021 – 2030, with a vision to 2050 (“**PDP8**”). Overall, the Implementation Plan sets forth a clear vision for power sources and their distribution across the country, as well as planning for government-driven renewable energy projects in Vietnam.

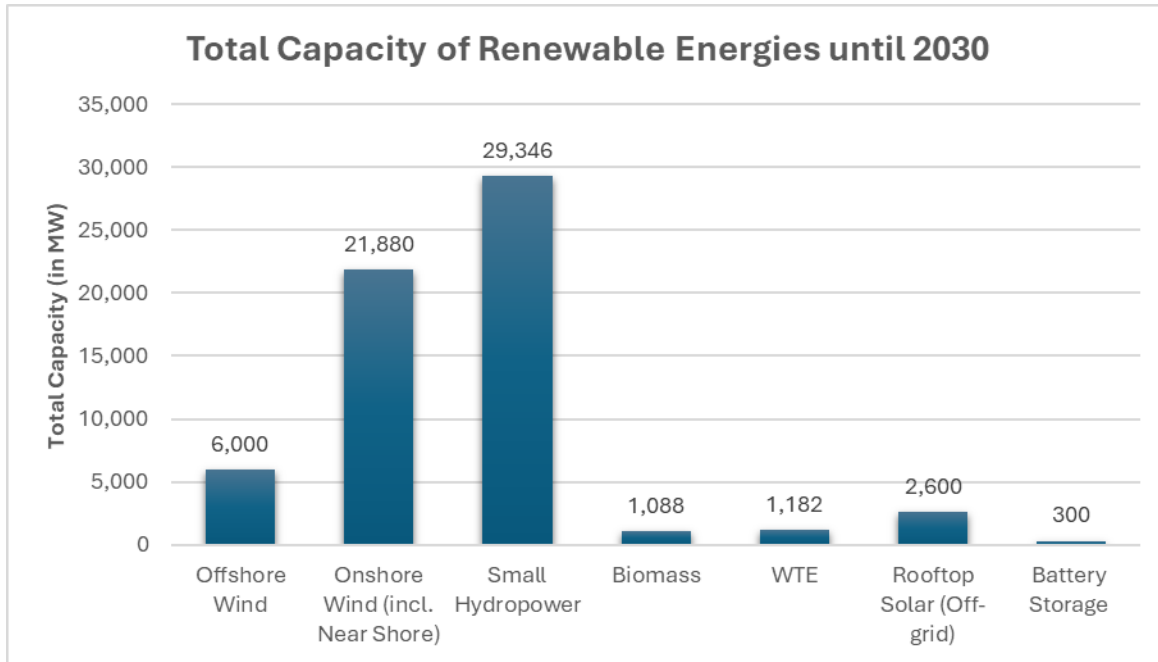
Timeline for Completing the Legal Framework for Prioritized Projects (Annex I)

It is set until 2025 for the relevant authorities to complete the legal framework for the following mechanisms:

- Price for different types of power sources;
- Mechanism for direct power purchase;
- Mechanism for the development of self-generated and self-consumed rooftop solar projects;
- Revision and amendment of the Law on Electricity; and
- Mechanism for developing carbon credit markets.

Allocation of Renewable Energy Power Capacities by Region Until 2030 (Annex II)

Wind power (including offshore and onshore wind) and small hydropower are allocated with a larger total capacity compared to other renewable energy sources.

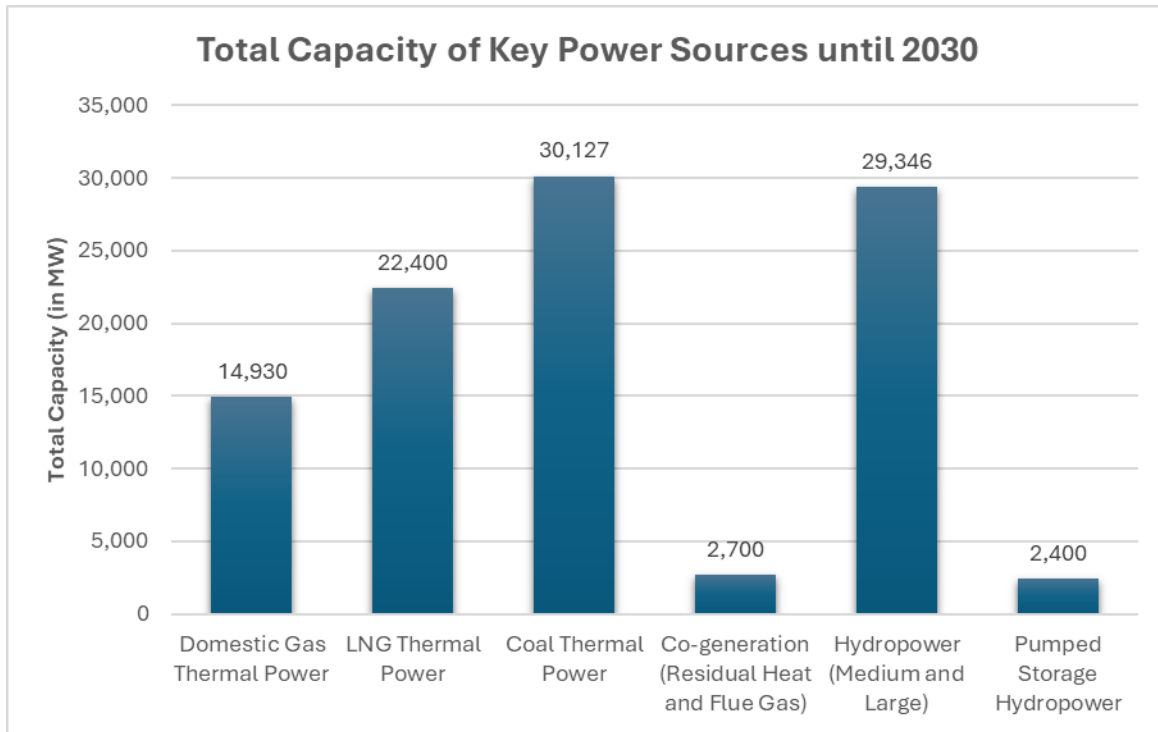


Geographically, the renewable energy sources by 2030 are allocated as follows:

Regions	Offshore Wind	Onshore Wind (including Nearshore)	Small Hydropower	Biomass	WTE	Rooftop Solar
Northern	2,500 MW	3,816 MW	2,619 MW	434 MW	424 MW	927 MW
North Central	0	1,948 MW	226 MW	40 MW	127 MW	231 MW
Central	500 MW	1,229 MW	576 MW	6 MW	60 MW	168 MW
Central Highlands	0	3,062 MW	609 MW	5 MW	21 MW	32 MW
South Central	2,000 MW	2,121 MW	352 MW	29 MW	66 MW	136 MW
Southern	1,000 MW	5,720 MW	80 MW	252 MW	414.1 MW	1,109 MW

Project-wise, the list of approved renewable energy projects allocated by province/city can be found in Tables 9, 10, 11, 12 and 13 of Annex III of the Implementation Plan. It is noted that on 3 April 2024, during the conference chaired by the Minister of Industry and Trade, Mr. To Xuan Bao, Director of the Electricity and Renewable Energy Authority (Ministry of Industry and Trade), reported that such a list had been compiled from 46/63 provinces and cities only. This has caused difficulties for the Ministry of Industry and Trade, the key stakeholder accountable for the Implementation Plan, in setting out a complete list of renewable energy projects as the remaining 17 provinces and cities missed the deadline set by the Deputy Prime Minister. Therefore, they will have to wait for the updated list to be released later.

Allocation of Key Operational Power Capacities until 2030 (Annex III)



It is important to highlight that on 2 April 2024, under [Decision No. 270/QĐ -TTg](#), the Prime Minister approved a list of important national energy programs and projects, which includes four projects for purchasing / importing electricity from China and three from Laos.

Program for Providing Electricity to Rural, Mountainous and Island Areas (Annex IV)

A clear objective and target are set to provide electricity from the national grid or renewable energy sources to approximately 911,400 households in rural, mountainous and island areas, and supply electricity to 2,478 small and medium-sized pumping stations across thirteen provinces in the Mekong Delta region.

List of Transmission Grid Projects: New Build and Reinforcement (Annex V)

An extensive list of transmission grids and stations with capacities of 500KV and 200KV that are being directed for either new build or reinforcement outlined in Annex V. This is to enhance the capacity, control, and operation of the power grid during the implementation of PDP8, especially for connecting renewable energy and imported electricity projects to the national transmission grids.

Land Requirement

Approximately 90,3 thousand hectares of land will be needed for the establishment of national power sources and transmission grids.

Private Capital Demand

The total private investment needed is estimated to be VND3,223 trillion (equivalent to US\$134.7 billion). This includes investments in power sources, expected to be around VND2,866.5 trillion (equivalent to US\$119.8 billion), and investments in transmission grids, anticipated to be about VND356.5 trillion (equivalent to US\$14.9 billion).

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