

# RENEWABLE ENERGY SECTOR POLICY UPDATE

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# Glossary

| Technical Terms |                                                                  |
|-----------------|------------------------------------------------------------------|
| BESS            | Battery Energy Storage System                                    |
| DPPA            | Direct Power Purchase Agreement                                  |
| FiT             | Feed-in Tariffs                                                  |
| PPA             | Power Purchase Agreement                                         |
| Measurements    |                                                                  |
| MW              | megawatt                                                         |
| kWh             | kilowatt-hour                                                    |
| Others          |                                                                  |
| EPTC            | Electricity Power Trading Company                                |
| EVNNPT          | National Power Transmission Corporation                          |
| EVNNLDC         | EVN National Load Dispatch Center                                |
| MOC             | Ministry of Construction                                         |
| MoIT            | Ministry of Industry and Trade                                   |
| MONRE           | Ministry of Natural Resources and Environment                    |
| NSMO            | National Electricity System and Market Operation Company Limited |
| PC              | People's Committee                                               |
| PDP             | Power Development Plan                                           |

# Update on Vietnam Regulations in Energy sector

In the first 8 months of 2025, Vietnam government has issued **10 new** regulatory documents, supporting full 5 stages of Renewable Energy Investment Process, emphasizing on Government Planning and System Integration stages. Details of how documents impact on each stage are mentioned on the following slides

|                                     | Stage 1:<br>Government Planning                                                                                                                                                                                                                     | Stage 2:<br>Investment Policy                                                                                                                                                                                                                         | Stage 3:<br>Investor Selection                                                                                                                                                                                                                             | Stage 4:<br>Construction and Inception                                                                                                                                                                                                                           | Stage 5:<br>System Integration                                                                                                                                                                                                                                                       |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Regulatory Authorities              | Depends on the classification                                                                                                                                                                                                                       | MoIT, Prime Minister, PC                                                                                                                                                                                                                              | MoC, MONRE, MoIT                                                                                                                                                                                                                                           | MoC, MONRE, MoIT                                                                                                                                                                                                                                                 | EPTC, EVNNPT, EVN, NSMO                                                                                                                                                                                                                                                              |
| Main Responsibilities               | <ul style="list-style-type: none"> <li>Conduct thorough research and evaluation of the area's conditions (natural, social, economic) for project feasibility and technical specs, including integrating new projects into existing plans</li> </ul> | <ul style="list-style-type: none"> <li>Investors submit documents to seek approval for development of project that have been planned in the previous phase;</li> <li>The involved parties and process will vary based on different factors</li> </ul> | <ul style="list-style-type: none"> <li>The responsible authority will organize the investor selection process;</li> <li>The investor selected in this phase might differ from the initial investor who submitted the investment policy approval</li> </ul> | <ul style="list-style-type: none"> <li>A comprehensive list of licenses is required to ensure legal compliance and seamless operation of the plant throughout its lifecycle in Vietnam;</li> <li>These licenses are regulated by multiple authorities</li> </ul> | <ul style="list-style-type: none"> <li>This step must be done prior to approving PPA and DPPA;</li> <li>Renewable Power Plants collaborate with relevant authorities (EVNNPT/RPC, based on the scale) to connect to the national gridline in accordance with the planning</li> </ul> |
| Regulatory Documents Issued in 2025 | <ul style="list-style-type: none"> <li>768/QĐ-TTg</li> <li>1509/QĐ-BCT</li> <li>1415/QĐ-TTg</li> </ul>                                                                                                                                              | <ul style="list-style-type: none"> <li>58/2025/NĐ-CP</li> </ul>                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>214/2025/NĐ-CP</li> </ul>                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>05/2025/TT-BCT</li> </ul>                                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>57/2025/NĐ-CP</li> <li>988/QĐ-BCT</li> <li>1508/QĐ-BCT, 1824/QĐ-BCT</li> </ul>                                                                                                                                                                |

# The Regulatory Documents Issued in 2025

Under the government's strong commitment to policy reform, a series of crucial documents for the power sector have been approved and issued which significantly helped to improve the investment environment for renewable power enterprises

|         | Type     | Official Number | Issuing Date | Effective Date | Title                                                                                                                             |
|---------|----------|-----------------|--------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Stage 1 | Decision | 768/QĐ-TTg      | 15/4/2025    | 15/4/2025      | Approving the Adjustment of National Power Development Master Plan for the 2021-2030 period, with a vision toward 2050            |
|         | Decision | 1509/QĐ-BCT     | 30/5/2025    | 30/5/2025      | Approving the Implementation Plan for the Revised National Power Development Plan for the 2021-2030 period, with a vision to 2050 |
|         | Decision | 1415/QĐ-TTg     | 30/6/2025    | 30/6/2025      | Approving strategy for Vietnam's electricity industry development until 2030 and vision to 2050                                   |
| Stage 2 | Decree   | 58/2025/NĐ-CP   | 3/3/2025     | 15/4/2025      | Detailing a number of articles of the Law on Electricity on Renewable energy and New energy development                           |
| Stage 3 | Decree   | 214/2025/NĐ-CP  | 4/8/2025     | 1/9/2025       | Detailing a Number of Articles and Implementation measures of the Law on Bidding regarding contractor selection                   |
| Stage 4 | Circular | 05/2025/TT-BCT  | 1/2/2025     | 15/3/2025      | Prescribing the Electricity transmission, Distribution and Measuring systems                                                      |
| Stage 5 | Decree   | 57/2025/NĐ-CP   | 3/3/2025     | 15/4/2025      | Mechanisms for Direct Power Trading between Renewable energy generation units and Large electricity consumers                     |
|         | Decision | 988/QĐ-BCT      | 10/4/2025    | 10/4/2025      | Approving Electricity generation Price bracket of Solar power plants in 2025                                                      |
|         | Decision | 1508/QĐ-BCT     | 30/5/2025    | 30/5/2025      | Approving Electricity generation Price bracket for Wind power plants in 2025                                                      |
|         | Decision | 1824/QĐ-BCT     | 26/6/2025    | 26/6/2025      | Approving the Electricity generation Price bracket for Offshore Wind power projects in 2025                                       |

# [Stage 1] Government Planning

- Decisions **768/QĐ-TTg**, **1509/QĐ-BCT**, and **1415/QĐ-TTg** activated the Revised PDP8
- Vietnam aims to **aggressively expand** renewable energy, targeting up to **1.7 – 2.7 times** higher capacity in the 2030 and **1.4 – 1.7 times** in 2050, compared between Original vs Revised PDP8, ensuring safe and affordable electricity system
- By 2030, **half** of government buildings and houses are expected to use **rooftop solar** for local consumption, without feeding into the national grid

## Electricity capacity Development Plan (Unit: MW)

| Type of Power Source                                               | 2023          | Original PDP8 2030 | Revised PDP8 2030       | Original PDP8 2050       | Revised PDP8 2050        |
|--------------------------------------------------------------------|---------------|--------------------|-------------------------|--------------------------|--------------------------|
| Total (excluding imports and rooftop solar)                        | 79,570        | 150,489            | 183,291 - 236,363       | 490,529 - 573,129        | 774,503 - 838,681        |
| <b>Renewable Energy</b>                                            | <b>21,664</b> | <b>42,986</b>      | <b>74,048 - 114,144</b> | <b>304,569 - 363,859</b> | <b>498,364 - 533,704</b> |
| Solar Power                                                        | 13,332        | 12,836             | 46,459 - 73,416         | 168,594 - 189,294        | 293,088 - 295,646        |
| Onshore and Nearshore Wind Power                                   | 7,777         | 21,880             | 26,066 - 38,029         | 60,050 - 77,050          | 84,696 - 91,400          |
| Offshore Wind Power                                                | -             | 6,000              | 6,000 – 17,032          | 70,000 - 91,500          | 113,503 - 139,097        |
| Biomass power, waste to energy, and other renewable energy sources | 199           | 2,270              | 3,009 - 4,881           | 6,015                    | 7,077 - 9,561            |

Source: Vietstock, PSI, The Prime Minister, MoIT

## [Stage 2] Investment Planning

Consolidating from Decree 137/2013/NĐ-CP, Circular 16/2017/TT-BCT, Decision 39/2018/QĐ-TTg and 13/2020/QĐ-TTg; Decree **58/2025/NĐ-CP** incentivizes support renewable power investment, lowers construction costs and boost efficiency

### Conditions and duration for applying incentive policies and support for the new energy development (Article 6, Chapter II)

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Conditions</b>           | <p>a) The project generates electricity using <b>100% green hydrogen, 100% green ammonia, or 100% a mixture</b> of green hydrogen and green ammonia;</p> <p>b) The project supplies electricity to the national power system;</p> <p>c) The project is the first of its kind for each type of new energy power generation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Incentive Mechanisms</b> | <p>a) <b>Exemption</b> from sea area use fees during the basic construction period but not exceeding 03 years from the commencement date. A <b>50%</b> reduction in sea area use fees <b>for 09 years</b> following the exemption period of the basic construction phase;</p> <p>b) <b>Exemption</b> from land use fees and land rental during the basic construction period but <b>not exceeding 03 years</b> from the commencement date. After the exemption period, land use fees and land rental reductions/exemptions shall be implemented in accordance with the laws on investment and land;</p> <p>c) A minimum long-term contracted power output of <b>70%</b> during the loan principal repayment period but <b>not exceeding 12 years</b>, unless otherwise agreed by the investor and the power purchaser. This mechanism shall not apply if the project fails to generate the committed minimum output due to project-related reasons, demand from the load, or technical conditions of the power system that prevent full consumption of the generated output;</p> <p>d) After the periods stipulated in points a and c of this clause, the application of incentive mechanisms shall comply with the legal provisions in effect at the time of expiration.</p> |

Source: The Government, Vietnam Government Portal

## [Stage 3] Investor Selection

Issued on 04/08/2025, Decree **214/2025/NĐ-CP** complements Decree 63/2014/NĐ-CP and 25/2020/NĐ-CP, Circular 11/2019/TT-BKHĐT to ensure legal and financial independence in contractor selection and improving transparent bidding process for renewable energy investor

### The measures to implement the Law on Bidding on contractor selection (Clause 2, Article 1)

- Registration on the National Bidding Network System;
- Timing for organizing contractor selection
- Disclosure of information in bidding activities
- Contractor management

- In cases where a bidder qualifies for more than one type of preference under the evaluation of **capability and experience**, or under **financial** evaluation, only the most advantageous preference applicable to each specific evaluation criterion shall be applied.
- If all participating bidders are either equally entitled to the same preferences or none are entitled to any preferences, then no preference calculation shall be required for the purposes of comparison and ranking.
- For mixed bidding packages, the application of preferences shall be based on all proposals submitted by the bidder for consulting, goods supply, and construction components. A bidder shall be entitled to preference if their proposal includes domestic content (including consulting, non-consulting services, goods of **Vietnamese origin**, or construction) amounting to at least **25%** of the total value of the bidding package.
- Bidders must provide **evidence** that they, and the goods or services they offer, fall within the categories eligible for preference as stipulated in **Clause 1, Article 10 of the Law on Bidding 2023**.

### Principles of Preferences in Contractor Selection (Article 5)

Source: The Government, Vietnam Government Portal

# [Stage 4] Construction and Inspection

Superseding Circular 25/2016/TT-BCT, 16/2017/TT-BCT and 30/2019/TT-BCT, Circular **05/2025/TT-BCT** sets **technical standards** for grid integration, including framework for minimum operating durations to ensure stability across specific grid frequency ranges and reduce curtailment risks, secure grid access for solar and wind power projects

## Minimum Operating Duration for Power Based on Power System Frequency Ranges for Wind and Solar Power Plants (Articles 40–43, Section 4)

| Power System Frequency Range | <ul style="list-style-type: none"> <li>Wind and solar power plants connected to the transmission grid, and generating units of wind and solar power plants with installed capacity <b>over 30 MW</b> connected to the distribution grid</li> <li>Wind and solar power plants with installed capacity <b>from 1 MW up to 30 MW</b>, connected to the distribution grid at medium voltage level or higher</li> </ul> | <ul style="list-style-type: none"> <li>Wind and solar power sources with installed capacity <b>up to 1 MW</b>, connected to the distribution grid at medium voltage level or higher</li> <li>Solar power systems connected to the distribution grid at <b>low voltage level</b></li> </ul> |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| From 47,5 Hz to 48,0 Hz      | 10 minutes                                                                                                                                                                                                                                                                                                                                                                                                         | -                                                                                                                                                                                                                                                                                          |
| Above 48 Hz to below 49 Hz   | 30 minutes                                                                                                                                                                                                                                                                                                                                                                                                         | 30 minutes                                                                                                                                                                                                                                                                                 |
| From 49 Hz to 51 Hz          | Continuous power generation                                                                                                                                                                                                                                                                                                                                                                                        | Continuous power generation                                                                                                                                                                                                                                                                |
| Above 51 Hz to 51,5 Hz       | 30 minutes                                                                                                                                                                                                                                                                                                                                                                                                         | 30 minutes                                                                                                                                                                                                                                                                                 |
| Above 51,5 Hz to 52 Hz       | 01 minutes                                                                                                                                                                                                                                                                                                                                                                                                         | -                                                                                                                                                                                                                                                                                          |

Source: MoIT, Vietnam Government Portal

# [Stage 5] System Integration (1/3)

Decree **57/2025/NĐ-CP** filled gaps in Decree 80/2024/NĐ-CP (issued in July 2024), bolstering Vietnam’s competitive power market. It caps prices, expands participation, adds biomass, supports rooftop solar, and simplifies net-zero tracking to cut energy costs to get closer to the goal of Net Zero 2050

## Comparison of how Decree 57 supersedes Decree 80

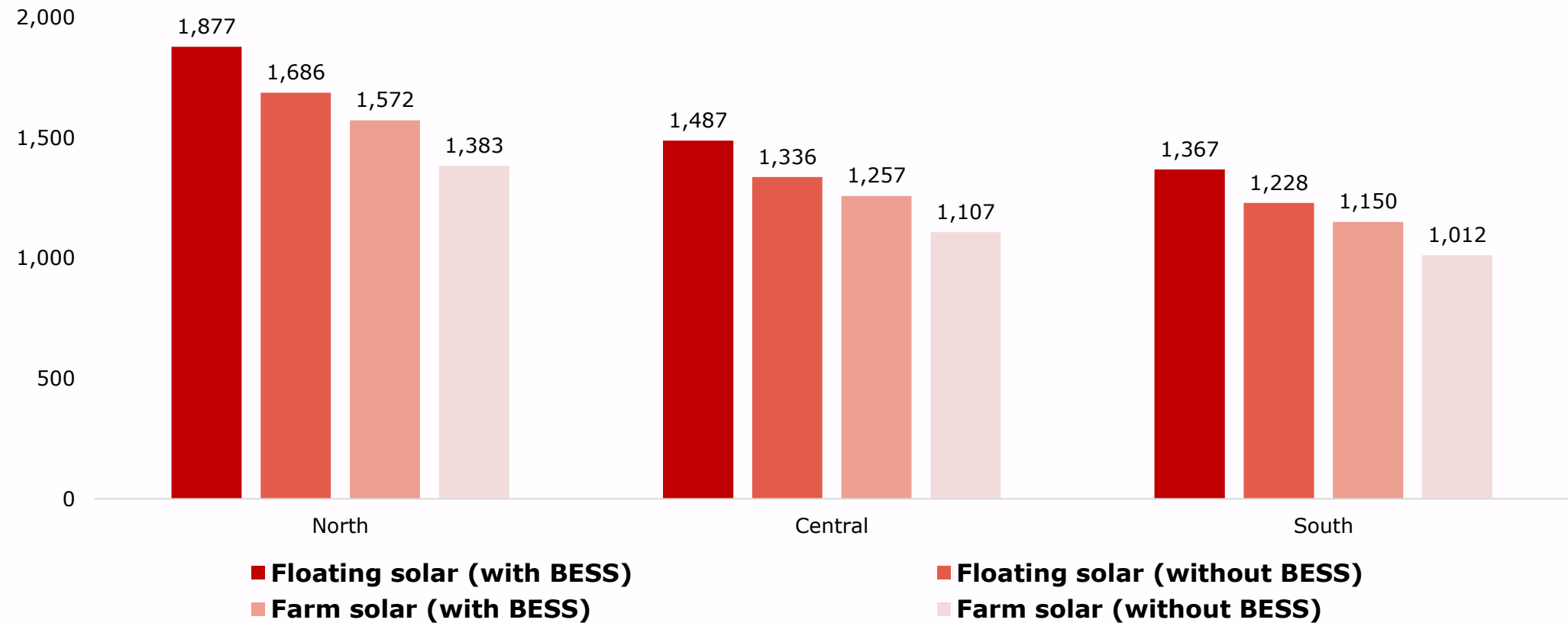
| Subject                                   | Decree 80                                       | Decree 57                                                                       | Impact                                                                         |
|-------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Monthly consumption requirement           | ≥200,000 kWh/month if >22kV used for production | Based solely on ≥200,000 kWh/month                                              | Allows adjustment by Ministry based on market conditions                       |
| Flexibility for “large electricity users” | Defined only by consumption                     | Ministry can adjust standards based on market                                   | Enhances grid development, removes barriers, increases market flexibility      |
| Biomass power inclusion                   | Only wind and solar allowed                     | Biomass added to eligible sources                                               | Promotes renewable energy, supports waste treatment, boosts energy security    |
| Local power company participation         | No clear regulation                             | Local EVN subsidiaries allowed to join DPPA                                     | Expands supplier pool, improves market competitiveness                         |
| Solar power via private lines             | No clear regulation                             | Clearly defined and allowed                                                     | Improves transparency and management of solar energy                           |
| Third-party electricity sale via grid     | No specific regulation                          | EVN allowed to sell up to 20% to third parties in specific zones                | Encourages market participation, supports energy security                      |
| Direct electricity sale price limit       | No ceiling price; negotiated between parties    | Price via direct grid connection must not exceed highest renewable energy price | Prevents price gouging, ensures transparency, protects large electricity users |
| Monthly electricity bill payment          | Monthly calculation and payment                 | Same as old decree                                                              | Simplifies procedures, reduces admin costs, ensures transparency               |

Source: TheSaigonTimes, The Government, Vietnam Government Portal

# [Stage 5] System Integration (2/3)

Floating solar with BESS in the North is most favored under Decision **988/QĐ-BCT**, offering the highest tariff, 37.3% higher than the South, driven by grid stress, land scarcity, and reliability needs

Solar Power Price Framework (Unit: VND/kWh)

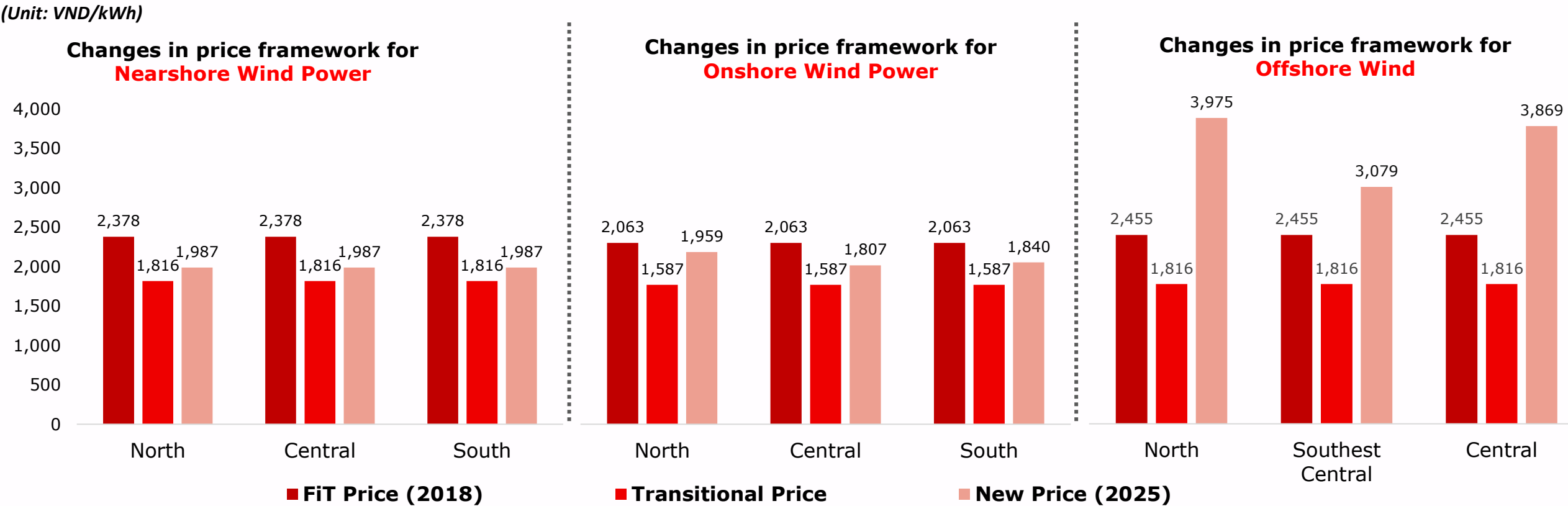


Source: MoIT, Vietnam Government Portal

# [Stage 5] System Integration (3/3)

Compared to previous rates, transitional tariffs issued in Decision **1508/QĐ-BCT** rose up to 23% for onshore and 9% for nearshore wind, while dropped 5–12% and 16% compared to 2018 FiT rates, respectively. The new framework unlocks stalled projects and encourages investment, especially in Northern Vietnam facing seasonal shortages.

On June 26, 2025, MoIT approved Decision **1824/QĐ-BCT**, setting offshore wind tariff ceilings to enable PPA negotiations for investors, prioritizing strategic regions including North and Central, possibly cause financial strain on EVN and generators



Source: FPTIS, MoIT, Vietnam Government Portal



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