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LEGAL ALERT

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Plan for implementing
Power Planning VIII –
Important legal basis
for investors to deploy
power projects



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On 1 April 2024, the Prime Minister issued Decision No. 262/QĐ-TTg approving the Plan to implement the National Electricity Development Plan for the period 2021 - 2030, with a vision to 2050 (“**Power Planning VIII**”) with 4 main purposes: (i) meeting electricity needs for socio-economic development in each period, ensuring the issue of electricity stays one step ahead; (ii) transitioning energy from fossil fuels to new energy sources and renewable energy, contributing to the net zero emissions target by 2050; (iii) attracting investment in electricity development; and (iv) orienting ministries and branches to effective implementation of the Power Planning VIII (“**Plan**”).

The following are some main contents of the Plan in which energy investors are especially interested.

1. List of power source projects until 2030

No.	Power sources	Total capacity (MW)	Regulations of Power Planning VIII
Important power source projects, investment priority			
1	Domestic gas thermal power	14,930	Table 1 of Appendix III
2	LNG thermal power	22,400	Table 2 of Appendix III
3	Coal thermal power	30,127	Table 3 of Appendix III
4	Cogeneration power source, power source using residual heat, blast furnace gas, by-products of technological lines	2,700	Table 5 of Appendix III
5	Hydropower (medium and large projects)	29,346	Table 6 of Appendix III
6	Pumped-storage hydroelectricity	2,400	Table 7 of Appendix III
Renewable energy power projects			
1	Offshore wind power	6,000	Table 1 of Appendix II
2	Onshore wind power (onshore and nearshore wind power)	21,880	Table 9 of Appendix II
3	Hydropower (small new construction projects)	29,346	Table 10 of Appendix II
4	Biomass electricity	1,088	Table 11 of Appendix II
5	Electricity produced from trash	1,182	Table 12 of Appendix II
6	Rooftop solar power (self-produced, self-consumed)	2,600	Table 6 of Appendix II
7	Storage battery	300	Table 8 of Appendix II
Other types of power sources			
1	Flexible power sources	300	-
2	Imported from Laos	5,000 – 8,000	-
3	Exporting electricity from the Central and Southern regions	5,000 – 10,000	-
4	New types of energy (green hydrogen, green ammonia)	5,000	-

2. Regional power transmission and grid connection projects

Appendix V of the Plan provides a list of important transmission grid projects, investment priorities, and power grids linked with neighboring countries. The volume

of "backup power grid generating lines and transformer stations" in this Appendix V is used to:

- (a) deploy new construction power transmission grid projects or new additional investment projects to improve transmission grid capacity, ability to control and operate power systems not yet included in the list of Power Planning VIII;
- (b) synchronously connect imported power source projects with Vietnam's electricity system; and
- (c) synchronously connect (voltage level of 220 kV or higher) renewable energy power source projects in the Implementation Plan of Power Planning VIII with the national electricity system.

3. Research to build 2 inter-regional renewable energy industrial and service centres

The Plan sets the goal of researching and building two inter-regional renewable energy industrial and service centres by 2030 as follows:

- (a) Renewable energy industry and service centre in the North with offshore wind power capacity of about 2,000 MW, onshore and coastal wind power capacity of about 500 MW.
- (b) Inter-regional renewable energy industry and service centre in the South Central - Southern region with offshore wind power scale of about 2,000 - 2,500 MW, onshore and coastal wind power of about 1,500 - 2,000 MW.

4. Investment capital needs until 2030

- (a) Total public investment capital is VND29,829 billion, including: (i) Investment capital for priority projects/schemes on perfecting legal policies and strengthening the power sector is about VND50 billion; and (ii) Investment capital for the rural power supply program in mountainous and island areas being about VND29,779 billion.
- (b) Total other capital than public investment capital is VND3,223 trillion (equivalent to USD134.7 billion), used for power sources and transmission grids in 2 periods of 2021 - 2025 and 2026 - 2030. In which, investment in power source accounts for about VND2,866.5 trillion (equivalent to USD 119.8 billion); and investment in power transmission grid accounts for about VND356.5 trillion (equivalent to USD14.9 billion)

Thus, it can be seen that the Plan for implementing Power Planning VIII has provided a roadmap for organising the effective implementation of schemes/projects that meet the set goals of Power Planning VIII, meeting the electricity needs for socio-economic development in each period. That is an important legal basis for Vietnam to realise its energy development goals, and at the same time for investors to implement power projects. However, in order for the Plan to be quickly implemented, the tasks set out in the Plan need to be implemented immediately and synchronously by relevant units.



**GLOBAL VIETNAM
LAWYERS**

CONTACT US

info@gvlawyers.com.vn

HCMC - Head Office

8/F, Centec Tower
72 – 74 Nguyen Thi Minh Khai
Vo Thi Sau Ward, District 3
Ho Chi Minh City, Vietnam
Tel: +84 (28) 3622 3555

Ha Noi - Branch

10A/F, CDC Building
25 Le Dai Hanh
Hai Ba Trung District
Ha Noi, Vietnam
Tel: +84 (24) 3208 3555

Da Nang - Branch

3/F, Indochina Riverside
Tower, 74 Bach Dang
Hai Chau District
Da Nang City, Vietnam
Tel: +84 (28) 3622 3555

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