



**Ministry of Industry
and Trade of Vietnam**

POLICIES FOR A CLEAN AND SUSTANABLE ENERGY SECTOR IN VIETNAM





Clean Energy from Policy Perspective

Clean Energy (RE/EE) is important from both Energy Security and Sustainable Development perspectives

- A shortage of primary energy and must import coal (2017) and LNG (2023) to ensure adequate supply of energy for socio-economic development.
- Public attention to environmental factors in the development of the energy industry, especially the coal-fired thermal power projects.
- Deployment costs of clean energy technologies are decreasing rapidly.



Policies in place to support Clean Energy

- **Legal:**
 - Law on Energy Efficiency and Conservation
 - Vietnam Green Growth Strategy
 - National Renewable Energy Development Strategy
- **Fiscal:**
 - Tax exemption: import tax, income tax
 - Land use fee reduction/exemption



Policies in place to support Clean Energy (cont')

- **Regulatory:**

- Avoided Cost tariff
- FIT
- Minimum Energy Performance Standards (MEPS)

- **Financing:**

- Green Investment Fund (GIF)
- Supporting Facilities: GCF, VEEIE



RE Incentivization Policies

RE type	Status		Level	Note
	Existing	Proposing		
Small hydro	Avoided cost		By year, by season (about 5 UScents/kWh)	
Wind power	FIT	revising	7.8 UScents/kWh (Decision 37/2011/QD-TTg)	Revising
Biomass	FIT		- (Combined Heat & Power) CHP: 5.8 UScent/kWh - Generation Cost from imported coal power plant.	
MSW	FIT		- Land fill gas: 7.28 UScent/kWh - Incineration: 10.05 UScent/kWh	
Solar PV	FIT	FIT	-9.35 US cents/kWh	
Biogas		FIT	Under studying	
Geothermal		FIT	Under studying	





Looking Forward

- **New policies are under study/ development**
 - Direct Power Purchase Agreement (DPPA)
 - Revising FIT for wind projects
 - Solar net-metering
 - Reverse auction for renewable energy



Tiết kiệm điện
vì một hành tinh Xanh

Thank you!