

VIETNAM ENERGY TRANSITION WEEKLY UPDATE

15 April 2024

Key points

1. Electricity consumption is [projected](#) to increase at a record high of over 13% this summer. This will exert significant pressure on the power generation system.
2. PM Chinh [commits](#) that Vietnam will ensure sufficient power for business and production activities. Of all the initiatives to ensure national power security, the Quang Trach – Pho Noi 500 kV line circuit 3 project is of paramount importance.
3. Deputy PM Tran Hong Ha [highlighted](#) the importance of rooftop solar power in ensuring energy security, saying that there needs to be mechanisms and policies to encourage organisations and individuals to invest in solar power.

More details (see in links)

Themes	Contents
Generation	<ul style="list-style-type: none">• Russian energy firm Zarubezhneft, a partner of state-owned Petrovietnam for 40 years, is seeking to invest in offshore wind power in Vietnam.
Demand	<ul style="list-style-type: none">• Electricity consumption is projected to increase at a record high of over 13% this summer. This will exert significant pressure on the power generation system.
Market	<ul style="list-style-type: none">• In March 2024, MoIT's ERAV released for public comment a draft new circular on the Vietnam wholesale electricity market (VWEM). Here is an in-depth analysis of the draft circular conducted by Baker McKenzie.• Vietnam will issue a price framework to purchase electricity from Laos for the period after 2025 in the second quarter of this year.• The next generation of Vietnam's power sector regulation is taking shape, with a proposed new circular on electricity generation tariffs and model power PPAs for power plants set to bring nearly all technologies together in one place for the first time. The Ministry of Industry and Trade (MoIT) plans to submit the new circular to the Government by the end of April.
Fuel	<ul style="list-style-type: none">• Vietnam Gas Corporation (PV GAS) signed a contract to sell nearly 70 thousand tons of liquefied natural gas (LNG) for the Electricity of Vietnam (EVN) to supplement gas sources for electricity production in 2024.
Grid	<ul style="list-style-type: none">• PM Chinh commits that Vietnam will ensure sufficient power for business and production activities. Of all the initiatives to ensure national power security, the Quang Trach – Pho Noi 500 kV line circuit 3 project is of paramount importance.
Planning/ others	<ul style="list-style-type: none">• 150 Vietnamese and international organisations and businesses will showcase their industrial and civil products at the 2024 International Exhibition of Electricity and Energy Industry Vietnam (ENE Vietnam 2024).• MoIT issued a digital transformation plan for the energy sector, aiming for 90% of administrative procedures to be handled online via a public service portal.• According to the Institute of Energy (IoE), Vietnam will have to invest about \$534-658 billion to achieve its target of net-zero greenhouse gas (GHG) emissions by 2050.