



BritCham Energy Working Group

Market update – August 2024

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Green Credit / Green Financing

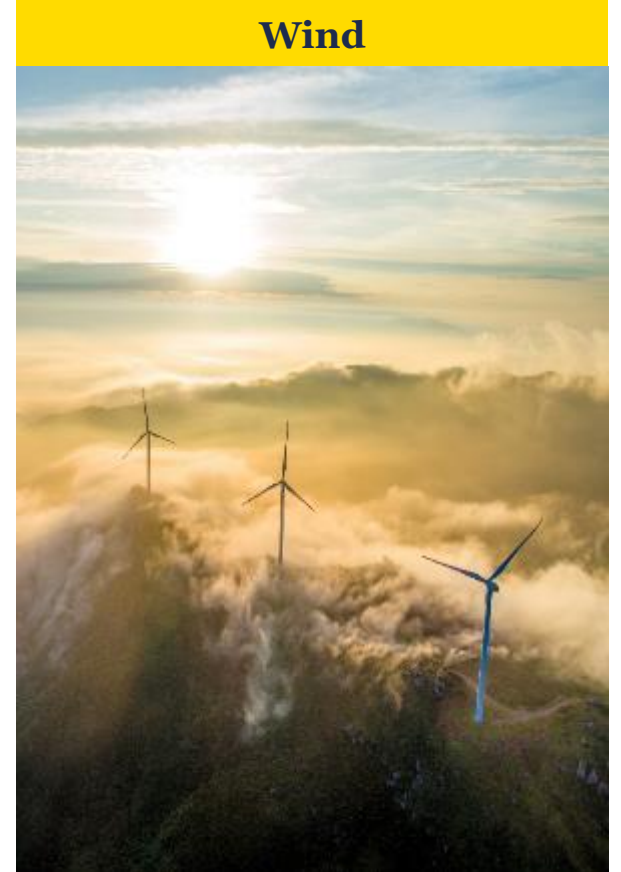
General news

- Carbon market pilot: By the end of July, the MoNRE will submit a decree amending and supplementing Decree No.06/2022/ND-CP, which regulates greenhouse gas (GHG) emission mitigation and conservation of the ozone layer. The decree will have additional regulations on inventory, appraisal, emission quota allocation, carbon market organisation, and carbon credit exchange activities on the international markets. (*VIR*)
- Inefficiencies remain with ESG in banking: approximately 90% of Vietnam's banks have incorporated environmental, social, and governance practices to some extent; but significant challenges, such as data shortages, policy gaps, and insufficient expertise, hinder full implementation. (*VIR*)
- AIIB is willing to join Vietnam's JETP. The AIIB has funded three private sector projects in Vietnam totaling US\$223m, covering Covid-19 response, development of solar power and hydropower, sustainable infrastructure, and climate change adaptation. (*The Investor*)

Renewable energy

- Sembcorp has reportedly paid US\$131m for majority interests in three out of four renewable energy subsidiaries of Gelex. The three projects reportedly sold to Sembcorp are Huong Phung wind power project, Gelex Quang Tri wind power project, and Gelex Ninh Thuan solar power project, totaling 196 MW. (*The Investor*)
- Earlier in July, Sembcorp is reportedly completing procedures to buy the 49-MW Song Bung 4A hydropower project of Gelex. (*The Investor*)
- The 600 MW Laos-based wind power project is set to run in Feb 2025 for export to Vietnam. The investor, Monsoon Wind Power Company Limited, also noted that the 500kV transformer station and power lines in Laos are set to be completed in February 2025. (*The Investor*)
- The shareholders of the 30MW onshore Soc Trang wind power plant are reportedly working to finalize the transfer of their entire stake (51%) to Thailand's BG Energy Solution Company Limited (BGE). (*Mergermarket*)

Wind



Renewable energy

- Vietnam considers differential solar rates for north: the MoIT is to assess the feasibility of raising the purchase rate for excess electricity to 20 per cent in the northern region - double that proposed for the rest of the country. Previously, the MoIT had also set the purchase price at VND671 (2.5 US cents) per kWh. (*VIR*)
- Deputy Prime Minister Tran Hong Ha has instructed the MoIT to study the option of buying rooftop solar energy, but the government does not want to buy more than 10% of each system's capacity. Off-grid rooftop solar power development will not be limited, but on-grid systems must not exceed the capacity allocated in the PDP8 (2,600MW). (*VIR*)
- A US\$4b power complex consisting of a 1,440 MW pumped-storage hydropower plant (of six turbines), a 3,500 MWp solar farm, and a 350 MW battery energy storage system (BESS) is proposed by PV Power. Both projects are located in Son My 1 Industrial Park of Ham Tan district, Ninh Thuan province. (*The Investor*)

Solar



Renewable energy

- Southern localities of Vietnam are home to an increasing number of waste-to-power ventures, including the the Tam Sinh Nghia waste-to-power project in the Cu Chi district; Benvitek Co. Ltd's 20-hectare waste-to-power plant in HCMC; and a consortium of Ecotech Vietnam and Le Delta JSC propose to build a US\$95m plant in Dong Nai. Furthermore, Tasco JSC and Vietnam Waste Solutions Co., Ltd. in HCMC are in the preparation phase. (*VIR*)
- Waste-to-energy is currently excluded from the DPPA due to unclear classification as renewable energy, but it may be included in the future upon approval from relevant authorities. (*VIR*)

Hydropower, biomass/waste-to-power



Renewable energy

- Australia's Pure Hydrogen Corporation Limited signed an MoU with the Vietnam ASEAN Hydrogen Club (VAHC) to supply hydrogen fuel for vehicles in Vietnam. (*VIR*)

Hydrogen



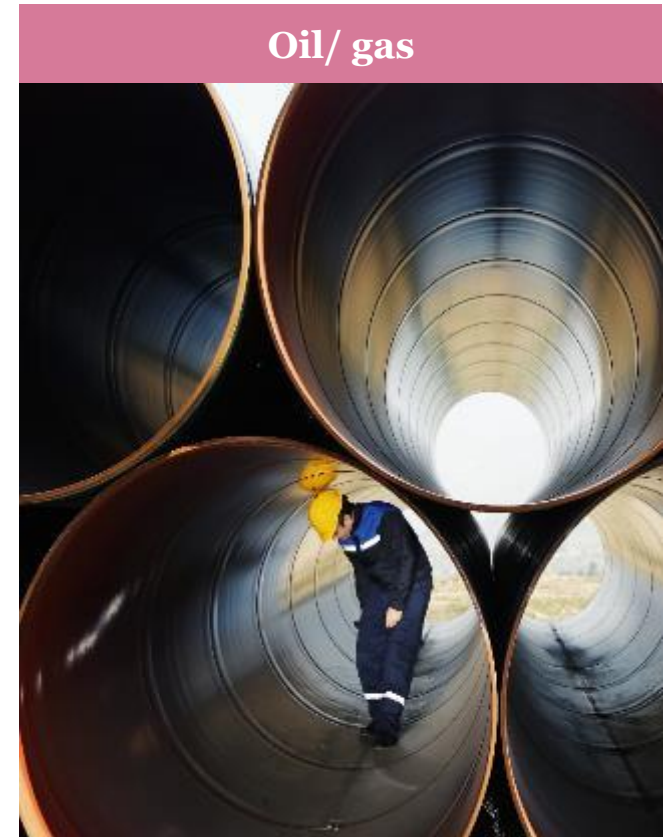
Non-renewable, fossil energy

- Two mega LNG-to-power projects including Son My 1 and Son My 2 are still drafting feasibility study. The investors were approved by the Prime Minister in 2019 and then received an investment policy from the MoIT in 2022. (*The Investor*)
- The 1,500 MW LNG-to-power project in Quang Ninh was ordered to operate in the period of 2028-2029 by the local People's Committee. The project investors comprise PV Power, Vietnam Mechanical Assembly JSC (Colavi), Tokyo Gas and Marubeni. (*The Investor*)
- The management board of the Nghi Son Economic Zone and Industrial Parks has opened bidding for the 1,500MW Nghi Son LNG-to-power project. (*The Investor*)
- PV Power speeds up work for the Nhon Trach 3 and 4 gas-fed power plants in Dong Nai. The cost of unfinished construction nearly doubling that at the end of 2023, according to the firm's consolidated financial statements. (*The Investor*)
- The feasibility report of the 1,500 MW LNG-fired Hai Lang power center project in Quang Tri is set for October approval. ERAV has been tasked by the Minister of Industry and Trade Nguyen Hong Dien to assess and approve the study of the project. (*The Investor*)
- The United States-based Delta Offshore Energy (DOE) is committed to continue its US\$4b LNG-to-power project in Bac Lieu province. (*The Investor*)



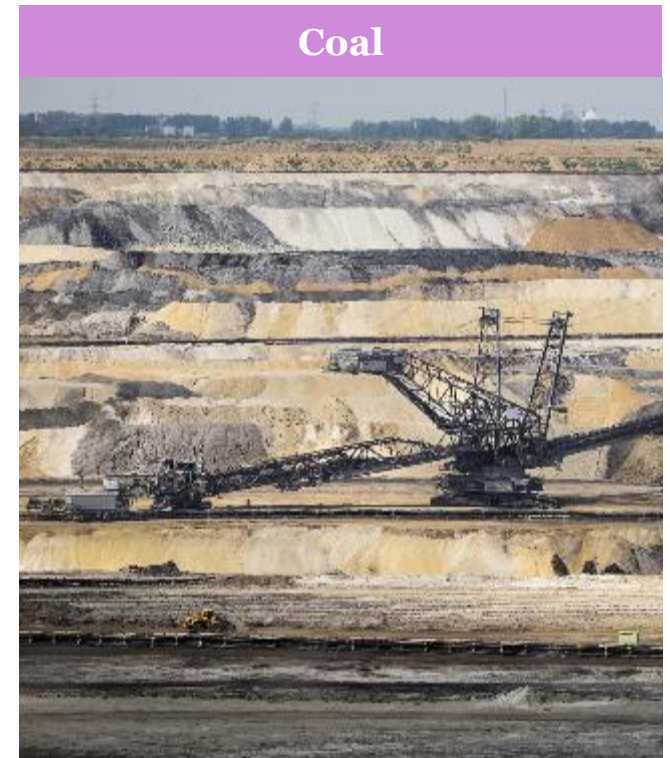
Non-renewable, fossil energy

- The PVEP, the PVOIL, and the Binh Son Refining and Petrochemical JSC (BSR) have signed a contract to supply crude oil from the Dai Hung field to the Dung Quat refinery. (*PetroVietnam Exploration Production Corporation*)
- JBIC and private lenders will provide loans totaling US\$832m for the Block B gas field development project. (*VIR*)



Non-renewable, fossil energy

- The MoIT has terminated the US\$3b Song Hau 2 thermal power plant and sent a notice to Malaysia's Toyo Ink Group Berhad, the parent firm of the project investor. (*The Investor*)
- SK E&S and T&T Group will join forces to convert Quang Tri's thermal power plant from coal-fired to LNG power, along with the development of low-carbon projects, including hydrogen. (*VIR*)
- Vung Ang II Thermal Power LLC (VAPCO) states that their first and second turbines can become operational in June and October 2025 respectively. The project, invested by One Energy Asia Limited and KEPCO, is 75% financed by the JBIC. (*The Investor*)





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