VIETNAM – NEWS AND REGULATIONS

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# TOP NEWS

**Vietnam's National Energy Development Strategy – Key Highlights**

*Dr. Oliver Massmann , Duane Morris Vietnam LLC*

*The Prime Minister of Vietnam has approved the National Energy Development Strategy of Vietnam to 2030, with a vision to 2045. Please kindly find below our key highlights.*

On March 1, 2024, the Prime Minister issued Decision No. 215/QĐ-TTg approving the National Energy Development Strategy of Vietnam until 2030, with a vision to 2045 (“**Decision 215**”).  This decision is to implement the Politburo of the Communist Party of Vietnam’s Resolution No. 55- NQ/TW dated 11 February 2020 on orientation of the National Energy Development Strategy of Vietnam to 2030, with a vision to 2045 (“**Resolution 55**”).  It is worth noting that the celebrated Vietnam’s National Power Development Plan 8 (“**PDP8**”) was known to be prepared in line with orientations and directions in relation to power sector under Resolution 55.  Thus, we believe that upcoming Plan for Implementation of PDP8 and other guidelines of PDP8 would be carefully structured and adopted in line with the National Energy Development Strategy of Vietnam under Decision 215.

**Development Perspective**

In brief, Decision 215 aims at (i) ensuring the national energy security for socio-economic development, (ii) prioritizing fast and sustainable energy development, (iii) adapting to climate change and aligning with the net zero emissions target by 2050; and (iv) using energy efficiently, and environmentally friendly which deemed as an important national policy and the responsibility of the whole society.

**Key Goals**

-           Satisfy domestic energy demand, serve the objective of the 10-year Socio-Economic Development Strategy 2021 - 2030, with primary energy supply reaching about 150 - 170 million tons of oil equivalent (TOE) by 2030 and about 260 - 280 million TOE by 2045.

-           Achieve the proportion of renewable energy in the total primary energy supply is 15 - 20% by 2030 and 65 - 70% by 2045.

-           Build a smart, efficient electricity system, capable of safely connecting to the regional power grid; ensure safe power supply, meet criteria N-1 for important load areas and N-2 for especially important load areas.

-           Oil refining facilities could satisfy at least 70% of the country's petroleum demand; encourage for petroleum reserves to reach 75 - 80 days of net import after 2030.

-           Have sufficient capacity to import liquefied natural gas (LNG) of about 15 - 20 billion m3 in 2030 and about 10 - 15 billion m3 in year 2045. \

-           Reduce greenhouse gas emissions from energy activities compared to the normal development scenario by 15 - 35% by 2030, up to 70 - 80% by 2045.

**Legal Implementation**

Decision 215 has assigned the Ministry of Industry and Trade to coordinate with relevant ministries, agencies and localities to study and propose mechanisms and policies to implement the National Energy Development Strategy. The ministry will closely monitor the balance of energy supply and demand and the implementation of key energy programs and projects; and propose mechanisms and policies to encourage development of renewable energy projects.

Key policies and legislation are proposed for implementation of the above strategy:

-           Develop a synchronous and interconnected energy market between electricity, coal, oil and gas and renewable energy sub-sectors, connecting with regional and world markets.

-           Review, adjust and complete policies on land, site clearance compensation, water surface use, etc. Innovate financial policies in the direction of encouraging and strongly attracting foreign investment capital sources government;

-           Encourage energy investment projects in the form of public-private partnerships (PPP).

-           Amend and complete specialized laws on oil and gas, electricity, economical and efficient use of energy, and legal documents related to the energy industry in accordance with international practices and the development situation.

-           Research, develop and supplement content on renewable energy in the Electricity Law (amended) to create a solid, transparent and favorable legal foundation to create momentum for the sustainable development of new and renewable energy.

-           Issue regulations on authority to decide investment policies for offshore wind power projects, hydrogen/ammonia production projects using offshore wind power, and offshore wind power export projects.

-           Promulgate a pilot, moving towards officially building a direct power purchase contract mechanism between renewable energy power producers and consumers in synchronization with amendments to the Electricity Law and roadmap for implementing the electricity market compete.

-           Research and develop fee collection regulations for direct power purchase contracts (DPPA).

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Please do not hesitate to contact Dr. Oliver Massmann under omassmann@duanemorris.com if you have any questions or want to know more details on the above. Dr. Oliver Massmann is the General Director of Duane Morris Vietnam LLC.

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# BANKING & FINANCE

**Central bank requests that credit institutions make lending interest rates public**

*VE*

***Many credit institutions already publicize their lending rates under PM directive.***

The State Bank of Vietnam (SBV) has required that credit institutions make public their average lending interest rates following a directive from the Prime Minister.

They are also requested to make public the difference between deposit and lending interest rates and interest rates in credit programs and packages.

They must provide links to the publication of interest rates to the SBV before April 1.

The central bank said most credit institutions publicize their lending interest rates, while some are still in the process of preparing to do so.

In a Directive issued on March 5 to strengthen the management of credit growth in 2024, Prime Minister Pham Minh Chinh asked that the banking sector make public average lending interest rates at credit institutions.

He also asked the SBV to continue cutting lending rates and enhance access to credit to support businesses and individuals.

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**Banks commit $285mln in credit for 15 social housing projects**

*VE*

## *Loans part of government social housing development credit package worth $4.89 billion.*

Commercial banks have committed to provide credit totaling VND7 trillion ($285 million) for 15 social housing projects eligible to access the government’s social housing credit package, according to the State Bank of Vietnam (SBV).

They are among 30 projects that require loans under the program.

Cities and provinces have recently announced 68 projects eligible to access the program, 38 of which had also sought capital from other sources.

The credit package comes with preferential interest rates and is worth VND120 trillion ($4.89 billion).

Interest rates are 1.2-2 percentage points lower than the normal interest rate on commercial bank loans.

Four banks - Vietcombank, Agribank, BIDV, and VietinBank - are taking part in the program.

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# ECONOMY

**GDP tipped to hit $469.67bln in 2024**

*VE*

***Vietnam now ranks as the 35th-largest economy in the world.***

Vietnam’s GDP was estimated at $433.3 billion in 2023, ranking it fifth in Southeast Asia, according to the latest figures from the International Monetary Fund (IMF).

Southeast Asia’s GDP reached $3.86 trillion, of which Indonesia took the lead with an estimated $1.42 trillion, followed by Thailand, Singapore, and the Philippines, the Government News reports. Fifth in the region, Vietnam is also the 35th-largest economy in the world.

The IMF data shows that global GDP last year was estimated at about $104.48 trillion, in which the US remained the largest economy in the world, with GDP of $26.95 trillion.

Vietnam’s GDP is forecast to reach $469.67 billion this year.

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**Forestry exports up 47% in two months**

*VNA*

Vietnam's forestry exports totaled US$2.68 billion in the first two months of 2024, up 47.4% year-on-year, according to the Department of Forestry under the Ministry of Agriculture and Rural Development.

The sector enjoyed a trade surplus of about $2.46 billion in the period.

This year, the agriculture sector is striving for $15.2 billion in [forestry exports](https://e.vnexpress.net/news/business/economy/agro-forestry-aquatic-products-post-trade-surplus-of-4-63b-in-h1-4623962.html), of which $14.2 billion will come from the export of wood and wood products, up 6% year-on-year.

To that end, the industry will strictly control and manage imported wood, ensure wood is of legal origin before processing, and encourage the use of raw wood sources from domestically grown forests.

In addition, it will promote trade promotion activities, develop markets in new potential regions, and organise international fairs, while encouraging [wood](https://e.vnexpress.net/news/business/companies/pm-promises-support-to-revive-plunging-wood-seafood-exports-4593131.html) processing and exporting enterprises to link with forest growers in production chains

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# INVESTMENT

**Phu Yen welcomes latest wave of major investments**

*VIR*

A conference announcing Phu Yen’s planning for the rest of the decade and beyond witnessed a new wave of provincial investment approvals.

The event on March 3 in Tuy Hoa city featured top government leaders, including National Assembly Chairman Vuong Dinh Hue, Deputy Prime Minister Tran Hong Ha, and leaders of diverse state management agencies at central and local levels.

DPM Ha noted that the south-central coastal province has all the conditions to pioneer in transforming the growth model towards green and sustainable, aligned with global trends to grow into a marine economic centre with dynamic service, tourism, and industrial sectors empowered by the green energy ecosystem.

“With huge potential for renewable energy, such as wind and solar power, and forms of energy like green hydrogen and ammonia, Phu Yen needs modern thinking to pull in investment to be one step ahead, leading and promoting funding in metallurgy, refining, petrochemicals, and shipping,” said the deputy PM.

From a local perspective, Pham Dai Duong, Secretary of Phu Yen Party Committee, highlighted the importance of the province’s new planning scheme in opening up new visions and goals for Phu Yen on its future development path.

“Phu Yen will continue to innovate execution methods; creating a breakthrough in bolstering the quality of the local business environment and enhancing the province’s competitiveness to reach development goals,” he said.

On behalf of Phu Yen, Duong pledged to create better conditions for investors to do business in the province. “We believe that the projects at today’s conference will soon be realised and create new values for businesses and the economy and serve as new symbols for Phu Yen’s successful development in the future,” Duong said.

At the conference, Peter Ryder, CEO of Indochina Capital, the developer of two premium resort projects in Phu Yen, said provincial leaders have done an impressive job in welcoming investors and creating conditions for them to develop successfully in the province.

“Phu Yen has ample potential for tourism and production. In terms of geographical location, the province is perfect to conduct light industrial activities,” Ryder said.

Indochina Capital is expediting the Mandarin Oriental Bai Nom resort across 58 hectares in Song Cau town, and the Wink Tuy Hoa Hotel, which will boast 220 rooms.

The conference also saw Phu Yen People’s Committee award new and revised policies and certificates for 14 projects, with half of them belonging to the trade, services, and tourism sectors.

Sizable projects with capital value surpassing the VND1 trillion ($41.6 million) mark include the $91.6 million Nui Thom eco resort by developer Sao Phuong Bac Phu Yen; an $83.3 million Vung Lam Resort by developer Everland Phu Yen; a $43.7 million Hoa Thanh beach resort by Hoa Thanh Resort Beach Tourist Area; and a $42 million Bai Nom eco-resort by Viet An Phu Yen Housing Trading and Investment.

Some other significant initiatives are the Xuan Dai Bay Commercial Service and Tourism Complex from Xuan Dai Bay Investment; Casanova Bai Tram luxury resort by Bai Tram Investment; and the Fleur De Lys Resort by FDL Investment.

In the manufacturing sector will be a $34.1 million scheme on building a plant to manufacture pharmaceutical and healthcare products by ASTA Healthcare US; a building materials production cluster by Huy Thien Phu Service and Trading JSC; and an initiative to expand Thai Thinh interior decoration products manufacturing factory from Thai Thinh Co., Ltd.

The agricultural sector entices two projects, including a $33.3 million high-tech livestock area from Quang Minh Investment Development Husbandry Technology; and a $25 million development of high-quality rice production area, plus purchasing, processing and exporting rice in Phu Yen by Trung An High-Tech Agriculture.

The infrastructure sector draws an inter-commune clean water supply initiative which covers various communes by Global Technology Transfer Investment Co., Ltd., and the Song Cau 2 Tuy An water plant from Vietnam Eco-Urban JSC.

At the event, Phu Yen People’s Committee also awarded six MoUs on investment cooperation.

In particular, major steelmaker Hoa Phat Group are exploring opportunities in Bai Goc Port with an estimated value touching $1 billion; a project on Hoa Tam Industrial Park’s infrastructure investment and trading; and building Hoa Phat iron and steel complex at Hoa Tam IP.

N&G Group is to explore investment opportunities for high-tech industrial park infrastructure business scheme; TH Group continues to fund a Phu Yen clean food factory cluster; and Trung An High-Tech Agriculture explores opportunities in a $58.3 million waste-to-power plant.

Tran Dinh Long, chairman of the board at Hoa Phat Group said, “As Phu Yen accommodates South Phu Yen Economic Zone and the province’s leaders are very welcoming to capable investors, the company has decided to land these three sizable projects in the province with a total capital scale reaching $5 billion. When these come into operation, they would create jobs for about 20,000 workers in the province and contribute nearly $420 million to the local budget annually.”

Long added that he is confident in the success of the company’s ventures in Phu Yen, which shall have positive spillover effects and propel the province’s socioeconomic development.

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**China's GoodWe opens inverter factory in Haiphong**

*VIR*

GoodWe, a Chinese photovoltaic (PV) inverter manufacturer, has announced the official commencement of operations at its first overseas manufacturing plant in the northern port city of Haiphong.

The inauguration ceremony, held on March 11, commemorated the opening of [GoodWe Vietnam Technology Co., Ltd](https://vir.com.vn/search_enginer.html?p=search&q=Chinese%20companies&s_cond=1&f_d=&t_d=14-03-2024) and the commencement of production at the facility.

Representing a significant milestone in the company’s global expansion strategy, the new facility marks the third in GoodWe’s manufacturing network.

Covering approximately 14,800 square metres, the factory will specialise in the production of grid-tied and hybrid inverters catering to markets in North America and key Asian regions.

“Customers from diverse markets are eagerly anticipating the output of GoodWe’s Vietnam factory. We remain dedicated to listening to market needs, delivering high-quality products, and providing excellent service to our customers,” Xianfeng LI, general manager of GoodWe Vietnam Technology Co., Ltd, said.

By establishing local production in Vietnam, GoodWe anticipates enhanced price competitiveness in global markets. Moreover, it aims to elevate its service offerings and ensure the timely delivery of high-quality products tailored to the diverse needs of residential, commercial and industrial, and utility applications.

The factory, drawing upon over a decade of GoodWe’s inverter manufacturing expertise, has fully integrated advanced inverter manufacturing technology and rigorous quality control systems. A range of intelligent manufacturing techniques, including quality traceability and digital monitoring, has been incorporated to ensure the quality and excellence of products.

Daniel Huang, founder and CEO of GoodWe, said, “We are dedicated to establishing an overseas benchmark factory, showcasing operational excellence, and replicating success across our global markets in the future. The positive impact of this milestone shows GoodWe's innovation capabilities and its contribution to job creation in the local Vietnamese market.”

This move exemplifies GoodWe’s commitment to strengthening its global brand image, he added. “With the opening of the Vietnam factory, we look forward to cultivating expanded customer cooperation opportunities across key markets such as the United States, ASEAN countries, and beyond.”

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# PROPERTY

**CapitaLand Development aims to expand residential portfolio in Vietnam**

*VIR*

CapitaLand Development (CLD), the development arm of CapitaLand Group (CapitaLand), aims to grow its residential portfolio in Vietnam to 27,000 units by 2028.

[CapitaLand](https://vir.com.vn/search_enginer.html?p=search&q=CapitaLand) Development (CLD), the development arm of CapitaLand Group (CapitaLand), is aiming to grow its residential portfolio in Vietnam to 27,000 units by 2028.

The target was announced at the groundbreaking ceremonies for CLD’s latest residential projects - Sycamore in Binh Duong province and Lumi Hanoi in Hanoi, which took place on February 28 and March 1.

The five-year target is about 70 per cent higher than CLD’s current residential portfolio in Vietnam that numbers about 16,000 units, which include the approximately 7,500 units at Sycamore and Lumi Hanoi.

According to Jonathan Yap, CEO of CLD, CapitaLand entered Vietnam in 1994, starting with serviced residence and commercial projects before embarking on residential developments in 2007 with The Vista in Ho Chi Minh City.

“Through decades of efforts, we are heartened to have built strong brand recognition for CapitaLand as a trusted developer of choice in Vietnam, especially known for our top-notch residential offerings of superior quality. Today, CLD’s portfolio in Vietnam comprises one retail mall, one SOHO development, two integrated developments, and about 16,000 quality homes across 17 residential developments in Hanoi, Ho Chi Minh City and Binh Duong province,” Yap said.

He further added that in addition to Vietnam’s residential segment, the company sees the potential for CLD to tap real estate opportunities in its burgeoning commercial, industrial and logistics sectors in tandem with the country’s ascent as a global manufacturing hub.

“As Vietnam increasingly emphasises sustainable development, new opportunities that play to CLD’s strengths in sustainability have also emerged. We look forward to working closely with the authorities and our partners to contribute meaningfully towards Vietnam’s economic development and urbanisation journey,” he said.

|  |
| --- |
| *We will focus on well-located large-scale projects in key cities, including Hanoi, Ho Chi Minh City, and up-and-coming provinces nearby such as Binh Duong province, to capitalise on CLD’s unique end-to-end expertise across the real estate value chain in multiple asset classes as well as our competitive advantages in master planning and sustainability.* |

Meanwhile Ronald Tay, CEO of CLD (Vietnam), said that to achieve CLD’s target of adding another 11,000 residential units in the next five years, the company will step up capital deployment in Vietnam and expand its development pipeline through strategic tie-ups with reputable and like-minded local and foreign partners.

Tay added that Sycamore and Lumi Hanoi reflect some of these strategies. They are CLD’s largest residential projects in Vietnam to date with about 7,500 units in total and a combined gross development value of over S$2 billion (approximately $1.5 billion).

“To bring these mega developments to fruition, CLD is pleased to partner with United Overseas Australia (UOA) Group on Sycamore, as well as enter into a joint venture with Mitsubishi Estate and Far East Organization on Lumi Hanoi. Offering a diverse selection of unit types, first-rate amenities and sustainability features that enhance the well-being of residents, we are confident that Sycamore and Lumi Hanoi will meet the aspirations of increasingly discerning homebuyers in Vietnam,” he added.

CLD’s continued confidence in Vietnam’s housing market is supported by the country’s robust economic fundamentals, favourable demographics and increasing urbanisation.

In 2023, Vietnam’s GDP grew 5.05 per cent, making it one of the fastest growing economies in Southeast Asia. Vietnam’s population of over 100 million and its rising middle class also offer a large and growing consumer market for the real estate sector.

Notable launches by CLD in recent years included the 88-unit Define in Thu Duc city, Ho Chi Minh City, which was fully booked in less than two hours upon launch. Another successful launch was Heritage West Lake in Tay Ho district, Hanoi, in which all 173 residential units and 202 small office/home office (SOHO) units were sold at prices about 30 per cent above the market average.

Sycamore is located in Binh Duong New City within Binh Duong province, about 30 kilometres from Ho Chi Minh City. With a projected total gross development value of over S$1 billion ($750 million), Sycamore offers about 3,500 freehold units across a mix of low, mid and high-rise residential developments, providing homes for an estimated 13,000 residents on a site of 18.9 hectares. The first phase is scheduled to be completed in 2024, and the rest of the project is targeting completion by 2027. Sycamore is slated to launch in Q2 2024.

Designed by renowned French architect Jean-François Milou of Studio Milou, Lumi Hanoi is a high-end residential project on a prime site in the west of Hanoi with a projected gross development value of over S$1 billion ($750 million). Covering about 5.6 hectares, the project will comprise about 4,000 units across nine 29- to 35-storey towers to be developed over phases. Lumi Hanoi is also slated to launch in Q2/2024.

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**HCMC sees no new apartment project launches**

*VNE*

No new apartment project launched in HCMC in the first two months of this year, according to property consultancy DKRA.

Only six are currently available in the primary market in the city and neighboring provinces like Binh Duong, Ba Ria-Vung Tau, Long An, and Dong Nai.

They contain 440 units, representing a 34% decline year-on-year.

HCMC accounted for over 300 of them.

Grade B apartments, or units in good locations with an area of at least 30 square meters, accounted for 76% of the new supply.

Prices have mostly been steady with a few projects in HCMC, close to completion and handover, recording a 3-6% increase.

The highest price in the city is VND82 million ($3,332) per square meter, and the lowest is VND52.5 million.

Real estate consultancy Savills said in its January report that HCMC’s [apartment supply](https://e.vnexpress.net/news/property/real-estate-supply-demand-slump-in-2023-4697389.html) last year hit a decade-low of 10,700 units.

The apartment segmentsaw only 6,300 transactions.

Savills also predicted that new [apartment prices](https://e.vnexpress.net/news/property/apartment-prices-to-remain-high-for-long-time-association-4709374.html) would be VND5-10 billion this year, while those priced less than that becoming increasingly scarce.

HCMC’s housing supply is developing in an inverted pyramid model, with 71.5% of the supply being high-end and only 28.5% being mid-priced, according to the HCMC Real Estate Association.

It said a healthy and sustainable model should look like a normal pyramid with its base, the affordable and social housing units, being the largest segment.

The southern townhouse and villa market saw only 98 new units so far this year, down 27% year-on-year, while the absorption rate was a low 16%, according to DKRA.

Most of the new supply is in HCMC, Long An, Binh Duong, and Dong Nai.

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# OIL&GAS&[ENERGY](http://tuoitrenews.vn/society)&MINING

**Dutch firm extends partnership with PTSC G&S to support Vietnam's offshore wind sector**

*VIR*

Dutch offshore survey firm Fugro announced on March that it has extended its MoU with Vietnam's PTSC Geos & Subsea Services Co., Ltd (PTSC G&S) to meet Vietnam’s strong demand for geophysical, geotechnical and metocean data services.

Under the two-year agreement, Fugro’s full range of marine site characterisation services and PTSC G&S’s local surveying capabilities will support Vietnam’s growing [offshore wind industry](https://vir.com.vn/search_enginer.html?p=search&q=offshore%20wind%20farm&s_cond=1&f_d=&t_d=13-03-2024).

The extended MoU represents a milestone in Fugro and PTSC G&S’s partnership, which was set up in 2011, and reflects both parties’ commitment to support the country’s developing offshore wind industry and ambitious offshore wind targets, as published in the 8th Power Development Plan (PDP8) in 2023. These include an initial target of approximately 6 GW of offshore wind energy by 2030, and 70 GW to 91.5 GW by 2050, which is critical for the country to achieve its goal of carbon neutral by 2050.

Jerry Paisley, Fugro’s regional strategic sales and marketing director, said, “Vietnam holds tremendous potential for offshore wind power and, after over a decade of working here with our local partner, PTSC G&S, we’re thrilled to be unlocking geo-data insights to help develop Vietnam’s offshore wind market.”

Truong Tuan Nghia, director of PTSC G&S, said, "With over four decades of experience serving the Vietnamese and wider Southeast Asian market, we’re pleased to be extending our agreement with Fugro so we can carry on delivering comprehensive geophysical, geotechnical and metocean surveys to our valued clients across Vietnam’s energy industry.”

Fugro is the world’s leading geo-data specialist, collecting and analysing comprehensive information about the Earth and the structures built upon it. Adopting an integrated approach that incorporates acquisition and analysis of geo-data and related advice, Fugro provides solutions.

Meanwhile, PTSC G&S, a subsidiary of PetroVietnam Technical Services Corporation (PTSC), is an experienced contractor in providing a comprehensive range of survey and associated services for the oil and gas industry.

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**Van Phong 1 power plant begins commercial operation**

*VIR*

The Van Phong 1 coal-fired power plant was connected to the national grid on March 13, marking the start of its commercial operations.

Following four years of construction, t[he Van Phong 1 thermal power plant](https://vir.com.vn/search_enginer.html?p=search&q=Van%20Phong%201) was completed and put into operation ahead of schedule, towards the end of January. The project is run by Van Phong Power Company, a wholly owned subsidiary of Japan-based Sumitomo Corporation, with an investment of $2.58 billion.

The plant uses ultra-supercritical technology, with a capacity of 1,320MW, comprising two generating sets of 660MW, and is expected to supply about 8.5 billion kWh each year to the national power grid, equivalent to 3 per cent of Vietnam's total capacity.

Van Phong 1 is expected to attract more investment to Van Phong Economic Zone, developing local industries, and creating growth drivers for the economy of Khanh Hoa province and the central region. The project will create jobs and contribute about VND1 trillion ($40.5 million) per year to the local budget.

Nguyen Tuan Tuan, Chairman of Khanh Hoa People’s Committee, said, “We hope that Sumitomo Corporation and other local and foreign companies will continue to research and implement new industrial, infrastructure, and service projects in the locality. Khanh Hoa province is committed to accompanying and supporting investors to achieve shared goals,”

Hirokazu Tsuru, general director of Van Phong Electricity Co., Ltd., said, "Sumitomo Corporation greatly appreciates the support of the Vietnamese government and Khanh Hoa province during the project's implementation and construction. Thanks to our close partnership with Vietnam Electricity (EVN), the corporation can now accelerate the completion of the 500kV Van Phong-Thuan Nam transmission line and the Van Phong transformer station."

The Van Phong 1 thermal power plant is a 'build, operate, and transfer' project and will be handed over to EVN in 25 years.

The plant's general contractor is a consortium of reputable contractors, including IHI Corporation, Toshiba ESSC, CTCI Corporation, and Doosan Heavy Industries & Construction.

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# LEGAL

**NA Standing Committee to discuss seven draft laws during 31st session**

*VNA*

**The National Assembly (NA) Standing Committee is holding its 31st session from March 14-19, with a focus on scrutinising seven draft laws.**

They include the draft Capital Law (amended), the draft Law amending and supplementing a number of articles of the Law on Asset Auctions, the draft Law on Social Insurance (amended), the draft Law on Road Traffic, the draft Law on Road Traffic Order and Safety, the draft Law on Defence and Security Industries and Industry Mobilisation, and the draft Law on Organisation of People's Courts (revised).

The NA Standing Committee will also review the legislature's ombudsman work report in February 2024, and organise question-and-answer activities.

Regarding decisions on important issues, it will consider and make decisions on the establishment of An Dien and An Tay wards in Ben Cat township, and Ben Cat city in southern Binh Duong province; and the establishment and arrangement of wards in Go Cong township, and  the establishment of Go Cong city in the Mekong Delta province of Tien Giang.

At this session, the committee is scheduled to consider personnel work.

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**Ministry of Finance wants 50% tax on e-cigarette atomizer**

*VNE*

The Ministry of Finance has maintained its proposal to impose a 50% Most-Favored Nation (MFN) tariff on electronic atomizer, the device used to heat up liquid solution used for vaping.

In a recent response to the Ministry of Health, which has advised the government to ban the imports of e-cigarettes due to health concerns, the finance ministry said that as the code of e-cigarette products were included in Vietnam’s list of exported and imported goods, it needed to impose a tax on such products in case the government allows their import in the future.

The MFN is what countries promise to impose on imports from other members of the World Trade Organization.

Vietnam now imposes a 50% MFN tariff on the liquid solution used in e-cigarettes and on the e-cigarettes in which the atomizer and the solution are inseparable.

The tariffs, however, have mostly no practical impact as Vietnam does not allow the imports of e-cigarette components. These products, however, are widely popular in the country, mostly because of [smuggling](https://e.vnexpress.net/news/markets/most-e-cigarettes-are-smuggled-into-vietnam-vcci-4643555.html).

The Ministry of Industry and Trade has reminded the finance ministry that atomizers should be regulated as electronic products which are already subject to an MFN tariff of 5% according to Vietnam’s commitments to the WTO.

But the finance ministry said that e-cigarette components were new products that did not exist when Vietnam made commitments with the WTO.

Government officials estimate that smoking is the cause of over 40,000 deaths in Vietnam every year.

Experts say that the rising popularity of e-cigarettes means they should be regulated to prevent smuggling.

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