VIETNAM – NEWS AND REGULATIONS

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## TOP NEWS

## VIETNAM - NATIONAL CARBON MARKET BLUEPRINT - PILOT TRADING STARTING IN JUNE 2025

 Dr. Oliver Massmann, Duane Morris Vietnam LLC.

On 24 January 2025, the Prime Minister issued Decision No. 232/QD-TTg approving the project for establishment and development of carbon trading market in Vietnam (***Decision 232***). According to Decision 232, the carbon trading market is set to be developed with the following timeline:

·         **From the issuance date of Decision 232 until June 2025**: To develop (i) the legal framework for carbon trading and to ensure the legal grounds for the implementation of pilot carbon trading program; (ii) the necessary infrastructure to serve the purpose of operating the carbon trading market; (iii) the capability of relevant parties in the operation and implementation of carbon trading market.

·         **From June 2025 to the end of 2028**: To (i) continue developing the necessary infrastructure, and legal framework, and capability of relevant parties; (ii) implement the pilot program for carbon trading market. At this stage, the pilot trading program will concentrate on carbon credits and greenhouse gas allowances that are specially coded for safe transactions. With the help of a custodial system from the Vietnam Securities Depository and settlement through accredited commercial banks, the automated platform will guarantee smooth operations. Parties allowed to participate in the carbon trading market are (i) large greenhouse gas emission facilities as classified by the Prime Minister; (ii) organizations and individuals eligible to participate in buying and selling carbon credits on the carbon trading market.

·         **From 2029**: To officially implement the carbon trading market and develop all relevant aspects.

It is also stated under Decision 232 that the carbon trading market will be implemented domestically with the management services provided by the Hanoi Stock Exchange. Regarding the sustainable development of the carbon trading in Vietnam, the Ministry of Natural Resources and Environment is tasked with taking the lead and coordinating with all relevant authorities to achieve such a goal.

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Please do not hesitate to contact Dr. Oliver Massmann at omassmann@duanemorris.com if you have any questions. Dr. Oliver Massmann is the General Director of Duane Morris Vietnam LLC.

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# BANKING & FINANCE

**Banking giants attract record deposits, Agribank leads with $78.6 billion**

*VNN*

***Vietnam’s banking sector reached new heights in 2024 as 26 banks reported total customer deposits exceeding $507 billion, marking a 12.89% increase from the previous year.***

The Big 4 banks - Agribank, BIDV, VietinBank, and Vietcombank - maintained their dominance, accounting for over 56% of total deposits.

Agribank emerged as the top bank in deposit mobilization, surpassing $78.6 billion, an increase of 10.06% from 2023. BIDV followed closely with $75.8 billion, recording an impressive 14.48% growth.

VietinBank ranked third with $63 billion in customer deposits, a 13.75% rise from the previous year. Vietcombank, the fourth member of the Big 4, reported $59.5 billion, increasing by 8.13% compared to 2023.

These four banks collectively secured more than half of the total deposits among Vietnam’s commercial banks, reaffirming their dominant position in the industry.

Beyond the Big 4, several other banks also recorded significant deposit growth. The top 10 banks in terms of customer deposits included:

MB: $28.1 billion (up 25.35%)

Sacombank: $22.1 billion (up 10.92%)

ACB: $21.2 billion (up 11.47%)

Techcombank: $21.1 billion (up 17.26%)

SHB: $19.5 billion (up 11.57%)

VPBank: $19.1 billion (up 9.5%)

**Fastest-growing banks in deposit mobilization**

The highest deposit growth rates were recorded at:

MB, NCB, and PGBank, all of which grew by more than 20% compared to 2023.

LPBank followed closely with a 19.28% increase.

BVBank, Techcombank, MSB, and VIB all saw growth rates above 16%, demonstrating strong customer confidence in their services.

While most banks recorded positive growth, Saigonbank ranked last, with total deposits reaching $985 million, up only 3.54% from 2023.

Meanwhile, ABBank was the only bank to experience a decline, with deposits decreasing 9.31%, making it the only lender with negative growth in 2024.

**Interest rate trends and banking outlook**

According to the State Bank of Vietnam, deposit interest rates in November 2024 ranged from:

0.1%–0.2% per year for demand deposits and short-term deposits under one month.

3.0%–3.8% per year for deposits of 1–6 months.

4.4%–5.1% per year for deposits of 6–12 months.

5.1%–6.0% per year for deposits of 12–24 months.

6.8%–7.2% per year for long-term deposits over 24 months.

Lending rates remained competitive, with average loan interest rates ranging from 6.7%–9% per year. Short-term loans for priority sectors were offered at an average of 3.8% per year, lower than the maximum regulated rate of 4% per year.

With robust deposit growth and stable interest rates, Vietnam’s banking sector is expected to maintain its strong performance in 2025, reinforcing customer trust and financial stability in the economy.

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**SBV injects over $1.4 billion into market in first two days after Tết**

*VNS*

In the latest session on February 4, through the open market operations (OMO) channel, the SBV provided loans to seven financial institutions totalling over VNĐ10 trillion at an interest rate of four per cent per annum for a seven-day term.

The State Bank of Việt Nam (SBV) continued its net liquidity injection in the first two trading sessions of the Year of the Snake on February 3 and 4, pumping over VNĐ35 trillion (US$1.4 billion) into the market.

The central bank injected amounts over VNĐ11 trillion on February 3 and VNĐ24.67 trillion on February 4.

In the latest session on February 4, through the open market operations (OMO) channel, the SBV provided loans to seven financial institutions, totalling over VNĐ10 trillion at an interest rate of 4 per cent per annum for a seven-day term.

Another 12 institutions borrowed VNĐ20 trillion at the same interest rate for a 14-day term. With VNĐ9.25 trillion maturing on the same day, the net injection via this channel amounted to VNĐ21 trillion.

In the treasury bill (T-bill) market, the SBV also issued an additional VNĐ900 billion worth of T-bills with a seven-day maturity at an interest rate of 4 per cent per annum, with two institutions winning the bids. Meanwhile, VNĐ4.55 trillion worth of T-bills matured, resulting in a net injection of VNĐ3.65 trillion.

As of February 4, the total outstanding T-bills in circulation stood at VNĐ24 trillion, while the OMO balance exceeded VNĐ163.5 trillion.

The central bank’s liquidity injections come as interbank interest rates surged in recent sessions. According to the latest data from the SBV, the overnight interbank lending rate on February 3 — the first trading day of the Lunar New Year — stood at 4.75 per cent per annum, an increase of 0.83 percentage points compared to the final session before the holiday on January 24.

**Financial market summary**

According to the New York branch of the US Federal Reserve, the spread between the US secured overnight financing rate and Việt Nam’s overnight interbank rate currently stands at 0.4 percentage points.

Interest rates for one-week, two-week and three-month tenors have also increased slightly since January 24, reaching 4.98 per cent, 5 per cent and 5.75 per cent, respectively.

In the foreign exchange market, the USD/VNĐ interbank exchange rate closed at 25,085 before the Lunar New Year holiday. Ongoing US-China trade tensions could influence market movements this week. Asia Commercial Bank forecasts that the USD/VNĐ exchange rate may rise to 25,400 in the first half of February.

Meanwhile, United Overseas Bank (UOB) expects continued pressure on the Vietnamese *đồng* due to US tariff policies and movements in the Chinese yuan, predicting the exchange rate could reach 25,800 in Q1 and 26,200 in Q3 of 2025.

UOB assesses that the need for monetary easing to support economic growth is no longer urgent. Throughout 2024, the SBV maintained a low-interest-rate environment, primarily intervening through OMO and T-bill issuance to ensure liquidity. The likelihood of the SBV raising its policy rates remains very low.

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# ECONOMY

**Government sets ambitious growth targets, calls for increased productivity**

*VNN*

**Vietnam is targeting an 8% GDP growth rate in 2025 and double-digit expansion from 2026, but officials warn this will require extraordinary efforts.**

Deputy Minister of Planning and Investment Tran Quoc Phuong has urged all sectors to work at double their capacity to meet Vietnam’s ambitious GDP growth targets of 8% in 2025 and over 10% from 2026. The government is pushing institutional reforms, increased public investment, and efforts to resolve economic bottlenecks.

Speaking at the regular government press conference on the afternoon of February 5, Phuong acknowledged that exports in 2025 could face significant challenges.

He urged government agencies and local authorities to closely monitor the situation, analyze difficulties in depth, and proactively address potential risks.

According to Phuong, the Central Committee has just passed a resolution targeting an 8% GDP growth rate in 2025, which is crucial for achieving the overall five-year economic objectives (2020–2025). This foundation will also pave the way for double-digit growth, exceeding 10%, from 2026 onward.

The deputy minister affirmed that key policies and solutions for achieving this ambitious growth have been outlined in government resolutions. However, he stressed that success depends on the concerted efforts of ministries, localities, and businesses.

"The principle is that each person must work twice as hard if we are to reach the set goals," Phuong emphasized.

Regarding specific solutions, Phuong stated that the resolution assigns growth targets to ministries, sectors, and localities. One immediate priority is institutional reform to unlock development resources quickly, which he described as the "breakthrough of breakthroughs."

Another key measure is resolving bottlenecks in ongoing projects and clearing stalled investments to generate momentum for national development in this new era. The government plans to ramp up public investment in 2025.

"This morning, the government directed a 10% reduction in recurrent spending to allocate more funds for investment. Additionally, recurrent expenditures will be lowered to below 60% of the total budget to free up resources for development," Phuong said.

He noted that 2025 will see increased public investment across various projects, including early implementation of major railway developments, such as the Lao Cai – Hai Phong railway and the Hanoi – Lang Son railway.

The deputy minister also revealed that state-owned enterprises will undergo restructuring to create opportunities for leading firms to drive private-sector investment. Foreign direct investment (FDI) and private-sector investments are expected to continue growing.

"We must address policy obstacles to attract capital into high-tech industries, semiconductors, and other strategic sectors," Phuong said.

He urged ministries, localities, business associations, and enterprises to stay well-informed about global trade dynamics, thoroughly analyze potential difficulties, and proactively implement strategic plans. The Prime Minister has instructed government agencies to maximize the benefits of next-generation free trade agreements (FTAs), particularly newly signed FTAs, to expand market access.

At the press conference, Minister and Head of the Government Office Tran Van Son emphasized that public investment in 2025 will be substantial.

During the morning's government meeting, officials reported that nearly $40 billion in public investment funding - sourced from revenue surpluses from 2024 and previous years - will be allocated to key infrastructure projects.

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**Rice exports grow by over 23%**

*VNA*

Vietnam's rice exports from Jan. 1-15 reached 268,700 tons worth nearly US$165.7 million, up 38.7% in volume and 23.28% in value year-on-year, according to the Vietnam Food Association.

However, [export prices for 5% broken rice](https://e.vnexpress.net/news/business/economy/rice-export-prices-drop-to-4-year-low-4838328.html) fell to $413 per ton, with 25% broken rice at $387 per ton.

Despite the positive start, the VFA predicts a challenging year for rice exports, citing global competition and India’s return to the export market. The projected annual export volume for 2025 is 7.5 million tons, down from the record 9.04 million tons in 2024.

In the domestic market, farmers in the Mekong Delta are facing slower demand and lower prices for rice. Key varieties like IR 50404 and OM 5451 are trading at VND5,500–5,700 (US$0.22-0.23) and VND5,800–6,000 per kilogram, respectively. The decline is attributed to ample global supply, particularly from competitors such as India and Thailand.

Retail rice prices in An Giang are at VND15,000-22,000 per kg, depending on the variety. Meanwhile, by-products like rice bran and broken rice fetch between VND5,600–7,300 per kg.

As of January 20, Mekong Delta provinces have sown over 1.46 million hectares of the winter-spring crop, with 85,000 hectares already harvested.

However, erratic weather, including alternating rain and sunshine, has heightened risks of diseases such as leaf blight and pests like gall midges, particularly in provinces such as Dong Thap and Kien Giang.

The agriculture sector advises farmers to closely monitor their fields and take preventive measures to minimize potential losses early in the season.

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# INVESTMENT

**Tech startups raised $120 million in 2024**

*VIR*

Vietnamese tech startups raised $120 million in funding last year, representing a 38 per cent decline from the $196 million secured in 2023.

According to the Vietnam Tech Annual Report 2024 released by [Tracxn](https://vir.com.vn/search_enginer.html?p=search&q=startups&s_cond=1&f_d=&t_d=05-02-2025) on January 28, late-stage investments saw funding of $14.2 million in 2024, resuming activity after 2021. Meanwhile, seed-stage investments dropped by 32.4 per cent, falling to $11.7 million in 2024 from $17.3 million in 2023. Early-stage funding experienced a 47.3 per cent decline, totalling $94.4 million in 2024, down from $179 million in 2023.

Last year's top-performing sectors included the gig economy, auto tech, and transportation and logistics tech. The gig economy, which includes companies with independent workers pursuing freelance, part-time, or flexible arrangements, such as Grab, Lazada, or Upwork, saw a total funding of $38.2 million in 2024, representing an increase of over 3,700 per cent when compared to the $1 million raised in 2023, and a rise of 380 per cent when compared to the $7.9 million raised in 2022.

The auto tech sector saw funding of $35.3 million last year, compared to $3 million raised in 2023, an on-year increase of 1078 per cent, while the figure represented an increase of 116 per cent when compared to the $16.4 million seen in 2022. Technology for the transportation and logistics sector saw funding of $34.3 million in 2024, an increase of 1,045 per cent when compared to $3 million raised in 2023, and a rise of 58 per cent when compared to $21.8 million raised in 2022.

The report pointed out that Ho Chi Minh City-based tech firms accounted for 56.6 per cent of all funding raised by Vietnamese tech companies. Hanoi followed behind, contributing 26.25 per cent of the total funding.

CyberAgent Capital, 500 Global, and Genesia Ventures emerged as the top investors in the Vietnamese tech ecosystem, actively supporting startups across various stages.

The Vietnamese tech ecosystem recorded three acquisitions last year, down from four in 2023. The 2024 deals were Public Bank's acquisition of RHB Vietnam Securities, Nvidia's acquisition of VinBrain, and SCBX's acquisition of Home Credit Vietnam.

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**HiteJinro breaks ground on soju plant in Thai Binh**

*VIR*

Korean soju maker HiteJinro held a groundbreaking ceremony for the construction of a plant at Green I-Park Industrial Complex in Thai Binh province on February 5.

Covering 8.2 hectares, the soju plant is scheduled for completion in November 2026. The plant is scheduled to undergo a trial run and be put into mass production in 2027.

In the first stage, the plant is expected to achieve an annual capacity of one million cases, before [HiteJinro](https://vir.com.vn/search_enginer.html?p=search&q=HiteJinro%20) expands and optimises the production process to raise annual production capacity to five million cases. The products will serve the Vietnamese and global markets.

The plant will be equipped with modern technologies and advanced production processes to ensure quality in line with international standards. In particular, HiteJinro is committed to sustainable development by building an eco-friendly plant, tightly controlling carbon emissions, and optimising energy. On top of this, the project is expected to create thousands of jobs, contributing to the economic development of Thai Binh.

Kim In Kyu, general director of HiteJinro Group, said, "It is significant to break ground for our first overseas production facility in Vietnam, which is the starting point for exporting soju overseas. The Vietnam plant will serve as a springboard for expanding into the global market."

HiteJinro will open its first overseas brewery in Vietnam in 2026 as part of a grand plan to boost foreign sales of its soju products to 500 billion won ($345 million) by 2030.

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# PROPERTY

**Real estate FDI consolidates improvement**

*VIR*

A turning point could be ahead for Vietnam’s real estate market, driven by solid economic fundamentals, legislative changes, supportive urban planning policies, and infrastructure improvements.

Foreign direct investment (FDI) in the real estate sector for 2024 reached $3.72 billion in total, making up 18.8 per cent of the total for the year, second only to manufacturing, according to the General Statistics Office.

A report from Avison Young Vietnam released in January points out that foreign investor confidence in the Vietnamese market is still positive, and capital is being poured into ventures that have been approved and licensed here.

David Jackson, general director of Avison Young Vietnam, said that strong FDI proved the attractiveness of Vietnam’s real estate market.

“Not only do they positively evaluate policy conditions, investment environment, population or urbanisation in Vietnam, investors also see a demand exceeding supply in most key segments such as industry, residential, office, retail and logistics. Efforts to improve the real estate legal framework and infrastructure development are contributing to making the market more attractive to international investors,” said Jackson.

He pointed out that the huge changes in 2024 in policies, investment trends and business were the basis for maintaining an optimistic vision of the real estate market. “When positive signals appear more clearly, it is time for investors to restart capital flow into transactions and be ready to catch the wave of cyclical development,” he added.

Vo Hong Thang, deputy general director of DKRA Group said that the year ahead was expected to be prosperous, with the market being on the recovery path from 2024.

“These positive signals are driven by factors in policy, supply, infrastructure and investment trends promise to create a new growth cycle,” said Thang. “One of the bright spots of the market was the removal of supply bottlenecks, especially projects that have been delayed for years. Supply in 2025 is expected to improve compared to 2024 with more than 15,000 products.”

Lee Leong Seng, head of property development at Keppel Vietnam, expects 2025 to see a significant increase in mergers and acquisitions, with new investment opportunities in the real estate sector.

“Amid global trend changes, Keppel is expanding its investment into diverse real estate sectors such as residential, hospitality, and emerging models like senior living and data centres. The company is also closely connected with global businesses to track and seize market trends, while observing that international funds are increasingly focusing on environmental, social, and governance criteria,” said Leong Seng.

“With its strong-growing economy and golden population, Vietnam is a promising destination for many international investment funds.”

He believes the combination of international investment capital and local market expertise will lead to success.

“Moving into 2025, with new policies, we expect macroeconomic changes to be translated into concrete action, contributing to the sustainable development of Vietnam’s real estate sector,” he added.

“We are particularly excited about the positive changes in the investment environment in Vietnam. These improvements boost confidence and open up many growth opportunities for both traditional and new industries.”

The expert opinions followed a flurry of activity towards the end of last year. With an estimated investment capital of approximately $797 million, CapitaLand is developing the Sycamore, its first large-scale residential undertaking in Vietnam with more than 460 low-rise villas and about 3,300 apartments, with a total construction area of about 593,000 sq.m.

CapitaLand also developed a luxury apartment venture called Lumi Hanoi, with a total investment of $760 million, providing about 4,000 units across nine towers.

Meanwhile, Consmos Initia from Japan poured $150 million in a cooperation with TT Capital Investment JSC to develop a 2,000 high-end apartment projects, called TT Avio located in Di An city of Binh Duong province.

Japanese developers Sumitomo Forestry, Kumagai Gumi, NTT, and AEON Vietnam have joined with Kim Oanh Group to invest in a 50-hectare scheme in Binh Duong called The One World, costing more than $1 billion.

AEON Mall also continued its expansion plan with the opening of AEON Mall Hue in September. The retailer also acquired a 10.5 hectare land area in Thanh Hoa province to become the largest commercial centre in the central region. In addition, it approved the detailed master plan for an AEON Mall in Dong Nai province.

Pham Hoang Ha, a property consultant in Ho Chi Minh City, said that 2025 would see foreign investors pouring capital into southern real estate.

“Large developers such as Hung Thinh, Novaland, Phat Dat, and TTC Land are negotiating with foreign enterprises and will soon announce deals,” Ha said.

Shifting investment out of the central areas where inner-city land has become increasingly scarce and development costs increased, and finding opportunities in surrounding areas is now a strategic choice for investors. In addition to the improvement in supply, market liquidity has also seen positive changes in 2025, with home loan interest rates remaining low and investor confidence gradually improving.

“Projects implemented by reputable investors with guaranteed construction progress, clear legal regulations and infrastructure facilities are the top priority of investors,” Ha added.

Keisuke Muraoka, representative of Cosmos Initia, a member of Japan’s Daiwa House, said foreign investors in Vietnam must be careful with factors such as, legality, demand, location, and facilities.

“In addition to ensuring legal progress, we pay special attention to the potential to draw in end-users of projects, who buy products for living. For partners, we look for those with extensive experience in housing development and a strong reputation in the market,” said Muraoka.

*Ada Choi - Head of Research, CBRE Asia-Pacific*

*I would like to highlight the increasing investment appetite in Asia-Pacific, with Vietnam a top destination due to its economic confidence and strategic role in manufacturing and supply chain diversification.*

*Singapore remains the largest investor in Vietnam, with a significant portion of investments coming from manufacturing. Meanwhile, the Japanese are diversifying their operations and Hong Kong is a channel for Chinese capital.*

*For 2025, international investors are expected to focus on development projects rather than income-generating properties, particularly in the residential and industrial sectors, as opportunities in these areas are more prominent in Vietnam compared to other regions. Other potential segments would be retail, residential and hospitality. International investors may need to differentiate their strategies in Vietnam, possible through partnerships with locals, if they cannot invest directly into income-generating properties.*

*International investors also need to figure out how to gain exposure to the Vietnamese market, considering the different investment strategies required compared to other regions.*

*Nguyen Le Dung - Head of Investment Services, Savills Hanoi*

*Investors from Singapore, Japan, and South Korea are all active. Besides that, the US and Europe are also increasingly interested in the Vietnamese market. Among them, the segments that receive the most attention from investors include residential real estate, industrial, and commercial property.*

*The residential real estate segment continues to draw in a lot of attention due to urbanisation and rising housing demand in major cities in Vietnam, while the supply of new projects is recorded at a low level due to legal restrictions.*

*The strong development of the manufacturing industry in Vietnam has made industrial real estate an attractive segment, driven by the presence of many foreign investment funds and investors, focusing on Grade A warehouse and workshop projects that meet high standards and quality in the market.*

*The commercial real estate segment also received great attention, thanks to the development of the retail and service markets. This reflects the increase in demand growth in parallel with urban real estate types and is supported by factors such as the transformation of people’s consumption habits, with more customers prioritising experience shopping at commercial centres and closed multi-functional service spaces.*

*Investors today tend to prioritise cooperation with private enterprises, thanks to their flexibility and ability to quickly adapt to operations. The scale and total investment of investors is diverse and will change depending on each development segment. However, investors pay special attention to projects that can develop sustainably and meet current market needs to increase product quality and consumer experience.*

*In addition, legal issues will be given priority due to their direct impact on implementation progress, transaction structure, and investors’ financial plans.*

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**Land auction prices in Hanoi suburbs plummet, price inflation ends**

*VNN*

*The highest winning price at the latest land auction in Tan Phu commune in Quoc Oai district in Hanoi was VND76.6 million per sq m, down VND18 million, or 20 percent, from the figure in November 2024.*

In late 2024, 26 land plots belonging to LK2 and LK6 blocks in Yen Quan Hamlet in Tan Phu commune in Quoc Oai district were successfully auctioned. While the starting price was just VND4.7 million per sq m, the highest winning price reached VND76.7 million per sq m, or 16 times higher than the starting price, while the lowest winning price was VND40.7 million, or 8.7 times higher.

The winning prices demonstrated sharp fall in prices compared with the previous auction, where land plots in DG31/2019 block in the same locality were for sale in late November. The sharpest decrease was VND18 million per sq m, or 20 percent.

Prior to that, the auction of 20 land plots witnessed the highest winning price at VND95 million and the lowest at VND71 million per sq m.

In August and September 2024, land auctions in suburban districts of Hanoi attracted hundreds of attendees. There were auctions with more than 1,000 registrations. The land in the suburbs was then a ‘hot spot’ with auction winning prices making new records. The price of VND100 million per sq m was offered for many land plots. However, more recent auctions have cooled down.

Analysts noted that the prices have decreased following the state management agencies’ actions. The number of participants and registrations has decreased significantly.

The auction of 12 land plots in Trach My Loc commune in Phuc Tho district in November, for example, attracted only 120 dossiers and 32 clients, a sharp decrease compared with the auction held in August.

The winning prices at the auction were surprisingly low. All the seven land plots in Doc Tranh area were sold, but the highest winning price was just VND37.6 million per sqm, and the lowest VND28.8 million, just 20 percent higher than starting price.

Meanwhile, at auctions in the same locality before, the winning prices were sky high, surging from VND60 million to VND69.8 million and then VND75 million at the auction in mid-September.

The land prices have also decreased in Hoai Duc and Thanh Oai districts, with many auction participants giving up, accepting to lose their deposits.

At the auction in November 2024 in Thanh Oai, the highest winning price was VND75 million per sq m, down 20 percent compared with the previous auction in the same locality. The decrease was even higher, VND100 million per sq m, or 35 percent, if compared with the prices at August auction.

**Land price adjustments rescue land auctions**

In early December 2024, the Prime Minister urged ministries and localities to rectify land auctions following signs of land prices ballooning. Local authorities in some areas had to postpone land auctions to examine the legal status.

Real estate legal expert Nguyen Van Dinh believes that adjusting land prices is a crucial solution to land-use right auctions.

In Hanoi and other localities, people tend to bid sky-high prices at land auctions, accepting to lose deposit money as they give up the deals. This is because Article 159 of the 2024 Land Law says that starting prices for land auctions are determined in reference with the official land price framework set by agencies.

As the Hanoi official land prices were fixed at very low levels, much lower than market prices, the starting prices were unreasonably low, while the winning prices were tens of times higher.

The auction in Soc Son district once stirred up the public when people bid VND30 billion per sq m, while the starting price was just VND2-3 million. Participants at the auctions competed with each other and pushed prices up, fostering bidding wars and disruption attempts.

The Ministry of Natural Resources and Environment (MONRE) has issued directives, requesting local authorities to soon update land price frameworks and to align prices with market prices.

HCM City and Hanoi have set up new land price frameworks, with price levels coming closer to market prices. This allows local authorities to set higher starting prices, so people will have to think carefully before bidding prices.

“If so, auctions will be more professional and healthier, and won’t be chaotic as seen recently,” Dinh said.

In the latest news, Hanoi People’s Committee has approved the plan to use land in Cau Giay district in 2025. Twenty two projects will be implemented, covering a total area of 28.36 hectares.

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

**Vietnam identifies five provinces for large-scale nuclear power plants**

*VNN*

*The Ministry of Industry and Trade has identified five provinces in Vietnam as potential locations for large-scale nuclear power plants. These provinces are concentrated in the South Central, Central, and North Central regions.*

The ministry is currently gathering feedback on the draft adjustment of the National Power Development Plan for 2021–2030, with a vision toward 2050 (Power Plan VIII).

In evaluating Vietnam's potential for developing large-scale nuclear power plants, the ministry highlighted eight potential sites across five provinces, as outlined in Decision No. 906/QD-TTg issued by the prime minister on June 17, 2010. These locations include:

Vinh Truong Hamlet, Phuoc Dinh Commune, Thuan Nam District, Ninh Thuan Province

Thai An Hamlet, Vinh Hai Commune, Ninh Hai District, Ninh Thuan Province

Lo Dieu Hamlet, Hoai My Commune, Hoai Nhon District, Binh Dinh Province

Vung La, Phu Hai Hamlet, Xuan Phuong Commune, Song Cau District, Phu Yen Province

Son Tinh Hamlet, Ky Xuan Commune, Ky Anh District, Ha Tinh Province

Cha La Beach, Binh Tien Hamlet, Cong Hai Commune, Thuan Bac District, Ninh Thuan Province

Gia Hoa Hamlet, Duc Thang Commune, Mo Duc District, Quang Ngai Province

Van Ban Hamlet, Duc Chanh Commune, Mo Duc District, Quang Ngai Province

Each site has the potential to generate approximately 4–6 GW of nuclear power.

The ministry also outlined three potential regions for nuclear power development: the South Central region (25–30 GW), the Central region (approximately 10 GW), and the North Central region (4–5 GW).

Currently, only the Phuoc Dinh and Vinh Hai sites have been officially designated for nuclear power plant construction. Other locations, including two in Quang Ngai and one in Binh Dinh, are under consideration for large-scale nuclear power plants with four reactors each.

However, because no formal planning decisions have been made for these sites, they must undergo reassessment after 10 years due to potential socio-economic changes in these regions.

Regarding small modular reactor (SMR) development, the ministry emphasized that site selection is a crucial step in integrating SMRs into the regional energy system. This process significantly impacts construction costs, environmental health, safety, and long-term operational efficiency.

Various SMR designs are being developed globally at different stages, but Vietnam has not yet established legal regulations on site selection criteria for SMRs. In the absence of specific guidelines, SMR site selection will follow existing nuclear power plant regulations.

On November 25, 2024, the 13th Central Committee of the Communist Party of Vietnam approved the policy to restart the Ninh Thuan nuclear power project and continue research into the country’s nuclear energy program.

The Ninh Thuan 1 and 2 nuclear power projects previously completed feasibility studies but were never approved. The government is now considering including them in its nuclear energy development policy framework.

All nuclear power sources, including SMRs, must be located in approved areas due to safety concerns, geological conditions, and nuclear waste disposal requirements. The government will only consider locations pre-approved in Decision No. 906 on nuclear power development planning.

At the second meeting of the National Nuclear Power Plant Construction Steering Committee, Prime Minister Pham Minh Chinh assigned Vietnam Electricity (EVN) as the lead investor for the Ninh Thuan 1 Nuclear Power Plant and the National Energy Industry Group (PVN) as the investor for the Ninh Thuan 2 Nuclear Power Plant. The government has set a target to complete the Ninh Thuan nuclear power project by December 31, 2030.

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**EVN takes over Phu My 2.2**

*VIR*

Vietnam Electricity (EVN) officially took over the running of the Phu My 2.2 build-operate-transfer (BOT) thermal power plant following a handover ceremony in Hanoi on February 4.

[Phu My 2.2](https://vir.com.vn/search_enginer.html?p=search&q=Phu%20My%202.2) is located in the Phu My Thermal Power Plant complex, Ba Ria-Vung Tau province, with a capacity of 715MW. It is the first BOT undertaking awarded through an international tender fully funded by foreign investors.

The plant went into commercial operation in 2005 and, pursuant to the BOT contract, the plant has reached the end of its initial operational period. Phu My 2.2 has now been transferred to the Vietnamese authorities, who appointed EVN to operate it.

Phu My 2.2 has generated over 90 billion kWh over the past 20 years, ensuring electricity supply for production and daily life. The venture has also contributed to the socioeconomic development of Ba Ria-Vung Tau province and the surrounding southern localities.

EVN will continue to operate the plant effectively post takeover. It is expected that the plant will contribute about 4.6 billion kWh of electricity per year to the national grid, ensuring a stable power supply to support energy security and the local economy.

The previous operator, Mekong Energy Co., Ltd., celebrated 20 years of operations of the plant last December. The project was supported by EDF (France), Sumitomo Corporation (Japan), and JERA (Japan).

The $400 million investment was financed at 25 per cent by shareholders and at 75 per cent by lenders including the Japan Bank for International Cooperation, the Asian Development Bank, and Société de Promotion et de Participation pour le Coopération Economique.

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# LEGAL

## Legislature completes legal framework for pharmacy chains, online drug trading

*VLLF*

**The National Assembly on November 21, 2024, passed the Law revising a number of articles of the 2016 Pharmacy Law, which is expected to create a legal corridor for development of new pharmaceutical business methods.**

The National Assembly on November 21, 2024, passed the Law revising a number of articles of the 2016 Pharmacy Law, which is expected to create a legal corridor for development of new pharmaceutical business methods.

Specifically, the Law stipulates for the first time the methods of pharmacy chain business and drug trading via e-commerce.

As defined in the Law, pharmacy chain means a system of pharmacies of a pharmacy chain-organizing establishment, which operates under a unified quality management system under the same tradename. As required, a pharmacy chain-organizing establishment must have two or more pharmacies that have been granted a certificate of eligibility for pharmaceutical business, and must have a unified quality management system for application to all the pharmacies.

As for drug trading on e-commerce platforms, the Law prohibits retailing for prescription drugs, except those for persons subject to medical isolation as a result of group-A infectious diseases for which epidemics have been declared in accordance with the law on prevention and control of infectious diseases; drugs subject to special control; and drugs on the list of drugs restricted from retail sale. Besides, it is also prohibited to wholesale drugs subject to special control.

In addition, the Law bans trading of drugs and pharmaceutical ingredients not through e-commerce exchanges, e-commerce applications, and e-commerce websites with online order placement function.

Rights and responsibilities of foreign-invested pharmacy trading establishments constitute another salient point of the Law.

Accordingly, foreign-invested manufacturers of drugs and pharmaceutical ingredients are entitled to conduct wholesale, delivery, and transportation of drugs and pharmaceutical ingredients they produce, or order processing from or carry out technology transfer in Vietnam to, medical examination and treatment establishments, vaccination facilities and other health establishments; drug rehabilitation facilities; and state-run drug and pharmaceutical ingredient testing facilities.

They may also deliver and transport drugs under donation, aid, humanitarian aid, and disease prevention and control programs to benefiting health establishments.

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**PM Chính asks credit institutions to stabilise gold market**

*VNS*

Prime Minister Phạm Minh Chính has signed a directive which puts special focus on the gold market.

Under Directive No 03/CT-TTg on February 4, the Prime Minister highlighted key tasks for implementation after the 2025 Lunar New Year holiday, including a special emphasis on stabilising the domestic gold market.

PM Chính instructed the State Bank of Vietnam (SBV) to take the lead in coordinating efforts to monitor and stabilise the gold market. This includes conducting research and proposing amendments to Decree No 24/2012/ND-CP regulating the management of gold trading activities by the second quarter of 2025.

In addition, the PM urged the SBV to guide credit institutions to focus on directing credit to productive sectors such as consumption, exports, investment and emerging sectors like the digital economy, green economy and circular economy. The goal is to support traditional growth drivers while encouraging the development of new economic models.

The directive also emphasises the need for credit institutions to strictly control credit in high-risk sectors and continue efforts to lower lending interest rates.

Chính also called for the completion of a restructuring plan for credit institutions dealing with bad debts in the 2021–2025 period, with a particular focus on addressing the weaknesses of some institutions, including submitting a restructuring plan for Saigon Commercial Joint Stock Bank (SCB) urgently.

This directive underlines the government's approach to maintaining economic stability, managing risks in the banking and gold markets and ensuring the sustainable development of key sectors in the economy.

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