




MINISTRY OF INDUSTRY AND TRADE  
Electricity Regulatory Authority of Vietnam

# Development of Vietnam Energy Market







April 23, 2021

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## Legal basis



- Based on the 03 main legal framework:
  - The Electricity Law
  - The Petroleum Law
  - The Mineral Law
- Decision No. 2233/QD-TTg dated December 28, 2020 of the Prime Minister on approving the Scheme on developing a competitive energy market through 2030, with a vision toward 2045

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## General Objective

**To develop an energy market (coal, gas, electricity) which:**

- Encourage healthy competition
- Regulated by the government
- Ensure national energy security
- Increase global economic integration



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## Specific Objectives

- To ensure energy security for the national economic development.
- To transform the energy industry into a market-based one regulated by the government; promoting healthy competition, transparency; attracting investment from all economic sectors; efficiently exploiting energy resources.
- To transparentize energy prices (market-determined).
- Transforming the coal market into a fully competitive one for electricity generation and exportation in which participants trade coal and provide services following market rules.
- Developing legal framework for competition in the gas industry (CNG, LPG, LNG), developing a competitive market for downstream sectors including 3<sup>rd</sup> party access policies.
- Continuing to develop the power market



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# Development Roadmap

	2021-2025	2026-2030	2031-2045
Gas market	<ul style="list-style-type: none"><li>Allowing new gas exploitation projects to directly sell to consumers or sell wholesale to PVN/PVGas.</li><li>Developing the 3rd party access policy and technical standard for LNG supply chain.</li></ul>	<ul style="list-style-type: none"><li>Developing market model for competition in downstream gas distribution, applying the 3rd party access policy.</li><li>Continuing to perform all governmental and commercial commitments on all signed projects.</li></ul>	<ul style="list-style-type: none"><li>Fully operating the competitive market in gas importation, downstream gas distribution including the 3rd party access policy.</li><li>Synchronizing the gas market with the power market.</li></ul>
Coal market	Keeping the current model of coal supply still.	<ul style="list-style-type: none"><li>Continuing to perform all committed coal trading agreements.</li><li>Gradually establishing the coal market with multiple buyers/sellers and coal supply units.</li></ul>	Fully operating the competitive coal market in which participants trade coal and provide services following market rules.
Power market	<ul style="list-style-type: none"><li>-Completing the competitive wholesale market.</li><li>-Establishing the competitive retail market.</li></ul>	-Expanding the competitive retail market	-Expanding the competitive retail market

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# General solutions



- Improving the current legal framework.
- Sector reforms.
- Completing the National Energy Master Plan for 2021-2030 with a vision to 2050.
- Technological advancements
- Gradually transform energy prices into market-oriented ones. The government only regulates prices and fees related to natural monopolies.
- Perform retail prices regulation based on market price fluctuation.

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## Specific solutions



- Gas market:
  - Improving the current legal framework, infrastructure.
- Coal market:
  - Performing the long-term contract mechanism for large consumers; developing electronic contracts; researching on the listing of coal to the mercantile exchange; researching on coal import strategy.
  - Regulating coal price based on market mechanism.
  - Improving infrastructure.
  - Promoting joint ventures/partnerships between foreign/internal enterprises and the coal industry.
  - Sector reforms.
- Power market:
  - Completing the wholesale market: based on the Detailed Design (Circular 8266/QD-BCT dated 10 August, 2015)
  - Establishing the retail market: sector reforms, improving the current legal framework.

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# THANKS FOR YOUR ATTENTION

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