



Vietnam's Energy Sector under Resolution 253: Key developments and investment considerations

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Frasers Law Company brings you a legal update of National Assembly Resolution No. 253/2025/QH15 which introduces an adjustment to the Power Development Plan 8 (**PDP8**) and which was passed on 11 December 2025 and which will become effective on 1st March 2026 (**Resolution 253**).

Following Resolution 253, a draft decree was issued to implement various aspects of Resolution 253 (**Draft Decree**)¹ and here, we will also summarise the Draft Decree focusing particularly on updates to planning and site survey procedures, as well as the proposed investment strategy for offshore wind power projects.

1. Scope of adjustments to the PDP8 under Resolution 253 and the Draft Decree

The national and provincial power development planning frameworks are subject to amendment and supplementation for the purpose of aligning with actual demand, while preserving previously ratified perspectives, targets, and aggregate capacity. As such, adjustments to the national and provincial power development plans can be made under the following circumstances:

- (i) Implementation of international commitments;
- (ii) Modification of the name, capacity, schedule, progress, or administrative location of power generation, transmission, or battery energy storage system (BESS) projects;
- (iii) Additional or alteration of projects undertaken to replace delayed projects or to expand BESS initiatives.

The Competent Authorities who are empowered to make these adjustments are:

- (i) The Minister of Industry and Trade ("MOIT") who have the exclusive authority to approve adjustments to the national power development plan.
- (ii) The Chairman of the relevant Provincial People's Committee ("PC"), empowered to approve adjustments to the provincial power grid development plan within the provincial framework.

It must be noted, however, that Resolution 253 provides exemptions from the obligation to prepare a strategic environmental assessment report.

Guidance under the Draft Decree

The planning adjustment procedure is established for the purpose of delineating the responsibilities and timelines incumbent upon the designated lead agency.

- Application Dossier

The application dossier shall, at a minimum, comprise the following:

- (a) An assessment of the anticipated impacts upon the supply-demand equilibrium, capacity evacuation, and the safety of system operations;
- (b) A set of coordinated remedial or adaptive solutions formulated in response to the aforesaid assessments; and
- (c) An evaluation of the efficiency and effectiveness attendant to the proposed adjustments and updates.

¹ The Draft Decree is the second published version on 7 January 2026.

- Appraisal Timeline
 - (a) Within three (3) working days from the date of receipt of the application dossier, the appraisal agency shall notify the applicant of any deficiencies and request supplementary documentation, where the submission is incomplete.
 - (b) Within fifteen (15) working days from the date of receipt of a complete application dossier, the appraisal agency shall conduct and conclude the appraisal.
 - (c) Relevant ministries and agencies shall provide written comments within five (5) working days of receipt of the dossier. Failure to provide such comments within the prescribed period shall be deemed concurrence by silence.
 - (d) Within three (3) working days of receipt of comments, the appraisal agency may request further clarifications or revisions, where deemed necessary.
 - (e) Within seven (7) working days thereafter, the lead appraisal agency shall finalise and submit the draft appraisal report to the competent authority for decision or approval.

2. **Investor Selection for Power Projects under the Resolution 253**

Scope of Approval Without Auction or Bidding

Under Resolution 253, investors may be approved absent auction or bidding requirements in the following circumstances:

- (i) Projects relating to national or regional power system control centres;
- (ii) Offshore wind power projects;
- (iii) Projects classified as urgent for the purpose of ensuring energy security;
- (iv) Projects where the investor possesses lawful land use rights, duly allocated, leased, or officially recognised; and
- (v) Power grid projects designated for development by State-owned enterprises ("SOEs").

Priority of State-Owned Enterprises (SOEs)

SOEs shall be accorded with highest priority in respect of power grid projects. Within thirty (30) days of receipt of a complete application dossier, the Chairman of the relevant People's Committee ("PC") may designate an SOE as the investor. In the case of interprovincial power grid projects, the Chairman of the PC in whose jurisdiction the project originates, as specified in the applicable power development plan, shall review and issue the investment decision within the same thirty (30) day period.

Competitive Bidding Requirements

Where investor selection is conducted by means of competitive bidding, the following requirements shall apply:

- (i) The base year price stipulated in the Power Purchase Agreement ("PPA") shall fall within the applicable pricing bracket for all power generation projects;
- (ii) The PPA shall be negotiated within thirty (30) days from the date of submission of the investor's application and proposal, provided that the project's expected Commercial Operation Date ("COD") is scheduled: a.

Between 2026 and 2030, as set forth in the bidding documents; or b.
Between 2025 and 2030, as specified in the approved development plans.

3. Offshore Wind Power

Resolution 253 sets out a two-phase roadmap for offshore wind power development and the essential elements to note are:

(i) Phase 2025-2030

During this period, the Prime Minister shall approve the Investment Policy Approval (“IPA”) and designate the investor without recourse to bidding, provided that:

- (a) the investor satisfies conditions relating to national defence, security, and sovereignty; and
- (b) the project is incorporated into national planning with an expected Commercial Operation Date (“COD”) between 2025 and 2030.

The electricity tariff shall not exceed the maximum rate prescribed under the applicable price framework at the time of negotiation.

Further, survey applications shall not be considered on a standalone basis by the Ministry of Agriculture and Environment but shall be submitted as part of the IPA application to the Ministry of Finance.

(ii) Phase 2031-2035

Authority to approve the IPA shall be delegated to the Chairman of the People’s Committee (“PC”) of the province where the grid connection point is located, subject to prior consensus from relevant ministries, including National Defence, Public Security, Foreign Affairs, Industry and Trade, Finance, Construction, Agriculture and Environment, and others.

A site study shall be conducted prior to submission of the IPA application to the local investment registration authority. Investors shall self-fund site survey costs, which shall be treated as project expenses and such costs shall not be reimbursed if the project is not awarded or is deemed infeasible.

(iii) Investor Capability Requirements

- (a) Financial Capacity - There are two financial requirements of investors (i) sets out a minimum charter capital of VND5,000 billion; and (ii) states that equity capital shall not be less than twenty percent (20%) of the total proposed project investment.
- (b) Relevant Experience - Added to the above, there is the requirement for experience which states that (i) prior investment in or capital contribution to at least one energy project with a total investment of not less than VND10,000 billion, including equity of at least five percent (5%), operational within the preceding five (5) years; or (ii) investor has to have demonstrated international project management or construction experience in offshore wind power projects.

(iv) Documentation Requirements

Documentation shall comply with legislation governing islands, maritime resources, and the environment and the full list of application dossiers as prescribed under the Draft Decree.

4. Direct Electricity Trading

Resolution 253 introduces key provisions governing direct power purchase arrangements:

- (i) Electricity Price Determination - The electricity price shall be established by mutual agreement between the buyer and the seller pursuant to the relevant contract, applicable to both private grid and national grid models.
- (ii) Eligible Participants - The scheme shall extend to electricity retailers operating within industrial parks, economic zones, high-tech parks, urban areas, and free trade zones.
- (iii) Qualification of Large Users - MOIT shall prescribe the threshold consumption level required for large electricity users to qualify under this mechanism.

5. Nationally important and urgent oil, gas and coal projects

One notable exemption under Resolution 253 is the exemption of urgent oil, gas, and coal projects of national significance from the Investment Policy Approval (“IPA”) procedure. Instead, the following now sets out the legal grounds for land and resource allocation which includes leasing of land, designation of sea areas and conversion of forest land use rights. They are:

- (i) investment decision;
- (ii) decision approving the list of priority projects, in cases of direct investor appointment; or
- (iii) the document confirming bidding results, in cases of investor selection by tender.

For urgent projects undergoing land clearance or compensation, required planning amendments may be implemented concurrently or simultaneously. For strategic projects of national importance, SOEs shall be prioritised as the approved investors.

6. Liability of Public Officials and Enforcement

Under the Law on Promulgation of Legal Normative Documents, Resolution 253 provides for the removal, exemption, or reduction of liability in respect of public officials, authorities, and agency heads engaged in the formulation of this Resolution and its implementing regulatory instruments.

Resolution 253 shall enter into force on 1 March 2026 and shall remain operative until 31 December 2030, unless otherwise amended, repealed, or extended by competent authority.

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