

Vietnam's Energy Policy: Key Updates and Strategic Directions

Natural Resources & Energy | Asia Newsletter

January 13, 2026

Authors:

[Sean Conaty](#)

s.conaty@nishimura.com

[Cao Tran Nghia](#)

c.t.nghia@nishimura.com

[Vu Le Bang](#)

v.l.bang@nishimura.com

[Nguyen Thi Tuyet Diem](#)

n.t.t.diem@nishimura.com

1. Introduction

As of December 11th, 2025, the National Assembly has introduced important regulatory changes through Resolution No. 253/2025/QH15 ("**Resolution 253**") on Mechanisms and Policies for National Energy Development for the Period 2026–2030 with the objective of improving market mechanisms, as well as streamlining investment processes and certain regulatory procedures.

2. Highlights of Resolution 253

2.1 Flexible Power Planning Adjustment Procedure

Instead of going through complex procedures for planning amendments, it is now possible for the relevant authorities to quickly adjust the national power development plan or local provincial power plan in certain cases, such as revising the number of power projects within the quota.

2.2 Offshore Wind Power: Clearer Direct Developer Approval

For offshore wind projects, the Prime Minister can approve investment policies and directly appoint developers as long as such developers satisfy key principles such as national defense and security priorities, and are already included in the power development plan and scheduled for operation within the 2025–2030 period. For the offshore wind projects from 2031 to 2035, the provincial government is granted the authority to approve investment policies subject to comments from key ministries.

2.3 Direct Power Purchase Agreements (DPPA): Greater Flexibility

- **Free Pricing:** Electricity prices under DPPA, whether through private grid connections or the national grid, may be freely negotiated between buyers and sellers. This would, among other things, remove the pricing limit for private-wire DPPA which was previously imposed by the ceiling tariffs for the relevant types of power projects.

- Expanded Participation: Electricity retailers in industrial parks, hi-tech parks and similar zones, are now officially added as direct participants (rather than authorized agents) in the DPPA schemes. Furthermore, the Ministry of Industry and Trade (MOIT) will define which large electricity customers can join DPPA schemes, with the possibility of including smaller buyers in the future.

2.4 Rules for Bidding Exemptions

Resolution 253 allows scenarios in which investor bidding is not required. Essentially, if a developer has already secured land use rights for a power project under land and investment laws, such developer can be appointed directly as the project developer without going through the normal bidding process.

2.5 Fixing PPA Price Renegotiation

Under prior regulations, even after winning a bid, developers were required to renegotiate the Power Purchase Agreement (PPA) price with EVN, a process widely seen as inefficient and introducing considerable uncertainty to project economics. Resolution 253 now allows that, for most power projects, the winning bid price will automatically become the PPA price, and no further negotiation is required.

2.6 Introduction of Small Modular Nuclear


The Government is setting the stage for the development of small modular reactors (SMRs). Both state-owned and private enterprises are encouraged to engage in research and investment to accelerate SMR development. Development will prioritize nuclear security and safety, ensuring full compliance with atomic energy regulations and related laws. Looking ahead, the government will introduce tailored investment mechanisms aligned with market needs and the pace of technology commercialization. This is a noteworthy shift in direction as prior Vietnamese government regulation (as well as market expectations) had seemed geared towards large scale nuclear power plants.

2.7 Pending Proposals for LNG to Power Incentives

The Government had initially suggested improved incentives for LNG-to-Power projects by raising the minimum long-term contracted output from 65% to 75% and extending the commitment period from 10 to 15 years. A number of industry position papers had criticized these incentives as inadequate. Nevertheless, these have not been included in Resolution 253. Until concrete measures are announced, cautious optimism is warranted as we await the next steps.

3. Closing Remarks

Several of these revisions are on the right track to improve the investment environment by addressing problems and inefficiencies beyond the authority of the Government. Equally important, during the session of the National Assembly, the Government was required to issue detailed guidance on matters within its authority, rather than the National Assembly, with notable goals of removing obstacles for power generation and grid projects, improving market mechanisms and attracting investment, safeguarding energy security while supporting strong



economic growth, advancing carbon neutrality goals by 2050, and enhancing transparency and timely reporting of emerging issues.

In order to respond to the business needs of our clients, we publish newsletters on a variety of timely topics. Back numbers can be found [here](#). If you would like to subscribe to the N&A Newsletter, please fill out [the N&A Newsletter subscription form](#).

This newsletter is the product of its authors and does not reflect the views or opinion of Nishimura & Asahi. In addition, this newsletter is not intended to create an attorney-client relationship or to be legal advice and should not be considered to be a substitute for legal advice. Individual legal and factual circumstances should be taken into consideration in consultation with professional counsel prior to taking any action related to the subject matter of this newsletter.

Public Relations Section, Nishimura & Asahi newsletter@nishimura.com