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# Greening the Power Mix: Policies for Expanding Solar Photovoltaic Electricity in Viet Nam

Viet Nam wants to achieve Sustainable Development Goal 7: **“Ensure access to affordable, reliable, sustainable and modern energy for all”**. The Renewable Energy Development Strategy is a critical policy for achieving this. It will significantly reduce Viet Nam’s future greenhouse gas emissions and help achieve its **“Intended Nationally Determined Contribution”** (INDC) to the UNFCCC.

## DISADVANTAGES OF COAL-BASED POWER:

- 1 Coal mining and coal transport have negative impacts on environments, health, livelihoods
- 2 Vast quantities of waste from power plants, which must be transported, landfilled and/or used
- 3 Low environmental standards for coal-fired power plants, causing air pollution
- 4 Increasing dependency on coal imports for power production
- 5 Need coal supply during the lifetime of the power plant



## ADVANTAGES OF SOLAR PHOTOVOLTAIC (PV) POWER:

- Very few negative environmental, health or livelihood impacts
- Domestic industry could be developed and jobs created
- Reduces Viet Nam’ dependency on energy imports

**Solar PV power production can enable remote communities and islands, small and large businesses to improve power supply and reduce their electricity bills**

- Favourable solar irradiation in much of the country
- Solar PV power plant construction can be fast, to meet rising demands
- Cost prices are low in other countries and steadily reducing, as technology is developing

**After initial investment there is no need for inputs (only operation and maintenance cost)**



## RECOMMENDATIONS TO BOOST SOLAR PV AND ACHIEVE SDG 7 IN VIET NAM:

- Regulate a “Feed-in-Tariff” (FiT) of 15 USD cents/kWh for mainland solar PV power plants, and 19 USD cents/kWh for power plants on islands, over a lifetime period of 20 years
- Make these maximum FiTs, and negotiate or auction investment projects so that the prices will become progressively lower
- Regulate a “net-metering” arrangement for “rooftop” and community solar PV systems, that feed small amounts of excess power into the grid and are net-consumers from the grid
- Phase out all forms of support to coal-based power and introduce an environmental fee and/or carbon price on the use of fossil fuels
- Gradually increase the average electricity retail tariff by 5-10% per year over three years
- Financially support on-grid and off-grid solar PV systems in remote areas and islands
- Build capacities of regulators, power companies, businesses, communities
- Provide tax and other incentives to reduce investment costs of solar PV power plants, “rooftop” and community solar PV systems
- Urgently issue technical and environmental standards, procedures for net-metering, etc.