

## LEGAL UPDATES (August 02<sup>nd</sup>, 2020)

*In this week, we would like to bring to your attention a brief overview of the recent legal news concerning the following:*

- *New guidance and regulations on project development and power purchase contract of solar power*
- *Ho Chi Minh City People's Committee to issue new disease control measures*

### 1. **New guidance and regulations on project development and power purchase contract of solar power**

The Minister of Industry and Trade Ministry issued the Circular no 18/2020/TT-BCT regulating on project development and the Power Purchase Contract sample applying for the solar power projects (“**Circular 18**”). Accordingly, the Circular regulates and guides to Decision No. 13/2020/QD-TTg on April 6<sup>th</sup>, 2020 of the Prime Minister on the incentive mechanism to develop solar power projects in Viet Nam.

Circular 18 provides several guidance on the development of grid-connected solar power projects, in detail:

- About the price to buy electricity;
- Content of basic design documentation and other contents;
- Area of land use, water surface with term of the project.

As regards regulations related to the development of solar power rooftop systems, hereunder are some important contents:

- Electricity prices regulated in cases where the buyer is Vietnam Electricity Corporation and another cases where the buyer is not Vietnam Electricity Corporation.
- Procedure to execute solar power rooftop systems.
- Exemptions for electricity activity licenses and other contents.

Besides, the Circular 18 also provided sample of power purchase contract applying to grid-connected system solar power projects and sample of power purchase contract applying to rooftop system solar power projects.

However, it seems that the Circular 18 still fails to provide the clear guidance on the distinction between solar power rooftop system and grid-connected solar power system. This failure may lead to the inconsistent application of incentives mechanism related to solar power systems in practice.

This Circular 18 shall come into effect from **August 31<sup>st</sup>, 2020**.

## 2. Ho Chi Minh City People's Committee to issue new disease control measures

Currently, due to the situation of disease related to Coronavirus which is happening very complicatedly and unpredictably with an increasing number of cases, the authorities have quickly implemented plans to prevent the epidemic broad-based outbreak. Accordingly, in Ho Chi Minh City, on July 30<sup>th</sup>, 2020, the People's Committee of Ho Chi Minh City issued an official Dispatch No.2869/UBND-VX to control the disease situation with some specific and notable contents are as follows:

- People must wear masks when going to public places, usually washing hands with soap and an antiseptic solution.
- Restricting the crowd of people at events such as festivals, fairs, conferences, weddings, funerals, etc. It is worth noting that, in addition to limiting crowded people at the above events, people are not allowed to gather more than 30 people in public places (except hospitals, schools, etc.).
- Some business activities of non-essential services such as bars and discotheques will be temporarily closed and according to the dispatch, they have not mentioned the specific time when is the above business allowed to be reopened.
- Competent agencies as local authorities at all levels are responsible for strengthening and seriously implementing the disease prevention and control plan in their respective localities. The Department of Information and Communications is responsible for continuing to propagate about the situation and the evolution of the disease, updating recommendations and information to guide people to voluntarily take measures to prevent and control diseases themselves.

The official time for the application of the above-mentioned measures will start **from 0:00am on July 31<sup>st</sup>, 2020, until further notice.**

We hope this short Letter of legal updates would bring you useful information.

Best regards.

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