

LEGAL UPDATE (February 14th, 2023)

New Circular No. 01/2023/TT-BTC removing several provisions related to wind and solar power development

The Ministry of Industry and Trade has issued Circular 01/2023/TT-BCT annulling a number of provisions in Circular No. 02/2019/TT-BCT regulating the implementation of wind power project development and the Model Power Purchase Agreement for wind power projects and Circular No. 18/2020/TT-BCT stipulating project development and sample power purchase agreement applicable to solar power projects.

Circular No. 01/2023/TT-BCT has abolished requirements on progress and conditions on a capacity scale of phases of wind power projects. At the same time, Circular No. 01/2023/TT-BCT does not require to add wind power projects to electricity development planning and does not set conditions for starting and constructing wind power projects. On the other hand, the electricity seller does not need to send a copy of the wind power purchase agreement to the competent authority within 10 days from the date of signing, etc.

Regarding Circular No. 18/2020/TT-BCT regulating solar power projects and solar power contracts, Circular No. 01/2023/TT-BCT annuls Point a, Clause 1, Article 4; some phrases at Point a, Clause 1 and Point a, Clause 2, Article 5; a part of Appendix 1; and Clause 1, Clause 2, Article 2 of Appendix 2.

Specifically, the electricity purchase tariff of grid-connected solar power projects will not be applied at the power delivery and receipt points specified in Decision No. 13/2020/QD-TTg. Regarding Article 5, remove the phrase *"the purchase price of electricity of the rooftop solar power system shall comply with the provisions of Article 8 of Decision No. 13/2020/QD-TTg dated April 6, 2020, of the Prime Minister approving the mechanism to encourage the development of solar power projects in Vietnam"* and *"not exceeding 01 MW and 1.25 MWp"*.

Besides, remove Point a, Point b, and Point d Clause 2 Article 2 of Appendix 1; remove the phrase *"and terminate after 20 years from the date of commercial operation"* in Article 6 of Appendix 1; remove the word *"2020"* in Appendices A, B, C, D, E, and G in Appendix 1; and remove Article 2 of Appendix 2 stipulating electricity purchase and sale prices.

We hope this Newsletter would bring you useful information.

Best regards.

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