
Guiding the land use regime and certification of ownership of non-residential construction works

On 14 February 2020, the Ministry of Natural Resources and Environment issued Official Letter No. 703/BTNMT-TCQLDD to the provincial/municipal Departments of Natural Resources and Environment of to guide the land use regime and certification of ownership of non-residential construction works (including condotels, officetels and tourist villas).

The Ministry of Construction has also issued Circular No. 21/2019/TT-BXD in 31 December 2019 to promulgate national technical standards on condominiums, including regulations on technical standards for condotels and officetels ("**Circular 21**"), which will come into force from 1 July 2020.

Below are the salient takeaways from these documents:

1. Definition and technical standards for condotels and officetels:

- (i) A condotel is a tourist accommodation facility, which is located in a mixed-use apartment building, with the necessary equipment and services and used for accommodation rental business.

The usable area of a condotel must not be lower than 25sqm.

- (ii) An officetel is an office combined with a residence, which is located in a mixed-use apartment building, with the necessary equipment and services for one or more individuals working in a combination of accommodation.

The usable area of an officetel must not be lower than 25sqm, in which the area of the working space must be at least 9sqm. Kitchens must not be situated in an officetel.

2. The land use purpose and land use term of a condotel/officetel/tourist villa:

- (i) Land use purpose: commercial and service land.
- (ii) Land use term: not exceeding 50 – 70 years according to Article 126.3 of the Law on Land.

3. The issuance of the certificate of ownership of non-residential construction works:

The condotel/officetel/tourist villa construction projects which are eligible for transfer in accordance with the Law on Real Estate Business shall be issued the certificate for construction work ownership for the customer.

Mechanisms to promote the development of solar energy in Vietnam

On 6 April 2020, the Prime Minister issued Decision No. 13/2020/QĐ-TTg on mechanisms to promote the development of solar energy in Vietnam (“**Decision 13**”). Decision 13 will come into force from 22 May 2020, and provides numerous new mechanisms for investors of solar power projects in comparison with Decision No. 11/2017/QĐ-TTg (which ceased being effective as of 30 June 2019). Some notable points from Decision No. 13/2020/QĐ-TTg:

1. Electricity purchasers

Electricity purchasers refers to Viet Nam Electricity Corporation (EVN), EVN’s authorised affiliates, and other organisations and individuals.

2. Electricity sellers

Electricity sellers refers to organisations and individuals or their assigned organisations and individuals engaged in the field of solar power generation from solar power plants or solar photovoltaic (PV) systems comprising:

- *Rooftop solar PV system*, being a solar PV system with photovoltaic panels mounted on the rooftop of construction works with an output not exceeding 1 MWp, directly or indirectly connected to the electricity buyer’s grid with a voltage of 35kV or less.
- *Floating solar power project*, being a solar power project with photovoltaic panels installed on floating structures which is directly connected to national power grid.
- *Ground-mounted solar power project*, being a solar power project which is directly connected to national power grid, other than floating solar power project.

3. Imposed feed-in tariff (“FiT”) for solar energy projects between electricity sellers and EVN or its authorised affiliates

- The new imposed FiT is applied within 20 years from the Commercial Operation Date (COD) for projects satisfying the following conditions:

No.	Solar Power Technology	Applicable Conditions	FiT (excluding VAT) ¹	
			VND/kWh	Equivalent to US cent/kWh
1.	Floating solar power project	<ul style="list-style-type: none"> • obtaining in-principle investment decision prior to 23 November 2019 • achieving COD from 1 July 2019 to 31 December 2020 	1,783	7.69
2.	Ground-mounted solar power project	<ul style="list-style-type: none"> • having capacity of solar cells exceeding 16% or module exceeding 15% 	1,644	7.09

¹ The applicable exchange rate is the central exchange rate published by the SBV on 10 March 2020. FiT will be adjusted according to fluctuations of exchange rate for VND and USD published by the SBV on the date of invoice issued by the electricity seller.

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No.	Solar Power Technology	Applicable Conditions	FiT (excluding VAT) ¹	
			VND/kWh	Equivalent to US cent/kWh
3.	Rooftop solar PV system	<ul style="list-style-type: none"> the electricity purchaser is EVN or its authorised affiliates having COD and certification of meter readings from 1 July 2019 to 31 December 2020 	1,943	8.38

- Particularly for grid-connected solar power projects in Ninh Thuan Province which have been included in provincial/national development plannings and have COD before 01 January 2021 with total accumulated capacity not exceeding 2,000 MW, the FiT will be 2,086 VND/kWh (equivalent to 9.35 US cents/kWh).
- The FiT of other solar power projects and rooftop solar PV systems will be determined through competitive mechanisms or as agreed by the parties in accordance with the applicable laws.
- The power purchase agreement between electricity seller and EVN/its authorised affiliates is according to the regulated template.

4. Sale of electricity power to purchasers other than EVN and its authorised affiliates

Electricity sellers of *rooftop solar PV systems* are allowed to sell their generated electricity power to organisations or individuals other than EVN and its authorised affiliates if it does not use a connection grid of EVN. In this case, the FiT and power purchase agreement will be subject to the agreement of the parties according to the applicable laws.

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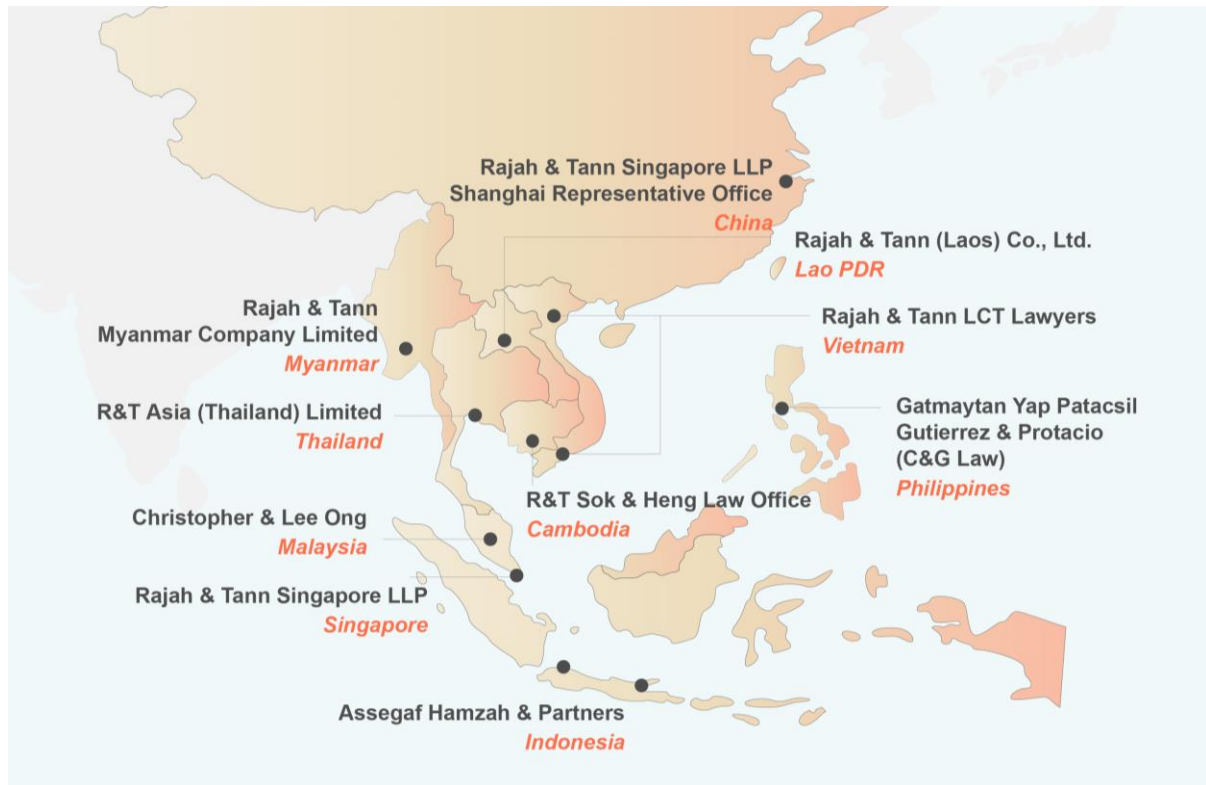
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