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| **GOVERNMENT** | **SOCIALIST REPUBLIC OF VIETNAM**  **INDEPENDENCE - FREEDOM - HAPPINESS** |
| No.: /2024/ND-CP  **Draft 1**  **April 15, 2024** | *Hanoi, May 2024* |

**DECREE**

**Regulations on incentive mechanisms and policies**

**development of self-produced and self-consumption rooftop solar power**

*Pursuant to the 2004 Electricity Law; Law No. 24/2012/QH13 amending and supplementing a number of articles of the Electricity Law;*

*Pursuant to the 2015 Law on Government Organization;*

*Pursuant to Resolution No. 2024 of the Standing Committee of the National Assembly;*

*At the proposal of the Minister of Industry and Trade;*

*The Government promulgates a Decree stipulating mechanisms and policies to encourage the development of self-produced and self-consumption rooftop solar power.*

# CHAPTER I

**GENERAL PROVISIONS**

# Article 1. Scope of regulation

This Decree provides for the development of rooftop solar power installed on the roofs of construction works for the purpose of self-production and self-consumption, not selling electricity to other organizations and individuals. Cases of rooftop solar power development not covered by this Decree are as follows:

1. Rooftop solar power shall comply with Clause 11 Article 5 of the National Assembly's Resolution No. 98/2023/QH15 dated June 24, 2023 on piloting a number of specific mechanisms and policies for the development of Ho Chi Minh City.

2. Rooftop solar power shall comply with the mechanism of direct electricity purchase and sale.

# Article 2. Subjects of application

Agencies, organizations and individuals involved in solar power development in Vietnam in the form of self-production, self-consumption and other related organizations and individuals.

# Article 3. Interpretation of words

In this Decree, the terms below are construed as follows:

1. *Solar power* means electricity produced from photovoltaic panels according to the principle of converting from photovoltaic energy into electricity.

2. *Roof solar power* means solar power with photovoltaic panels installed on the roof of a construction project and connected to construction equipment and structures directly serving power generation activities.

3. *Self-produced and self-consumption (self-using) rooftop solar power connected to the national electricity system* is rooftop solar power produced for on-site consumption, not sold to other organizations or individuals and not sold electricity to the national electricity system.

4. *Self-consumption (self-use) rooftop solar power not connected to the national electricity system* means rooftop solar power produced for on-site consumption and not sold to other organizations or individuals.

5. The roof of a construction project includes: residential houses, public offices, industrial parks, industrial clusters, enterprises, production establishments and existing business establishments, which are invested in and built in accordance with law.

# CHAPTER II

**DEVELOPMENT INVESTMENT**

# Article 4. Principles of rooftop solar power development

1. Rooftop solar power development must conform to the implementation plan of the national electricity development plan and the plan for implementation of the provincial planning.

2. The total capacity of self-produced and self-consumption rooftop solar power connected to the national electricity system in each locality shall not exceed the capacity allocated in the implementation plan of the national electricity development planning.

3. Self-produced and self-consumption rooftop solar power not connected to the national electricity system of this type prioritizes unlimited capacity development.

4. Development of rooftop solar power must comply with the law on electrical safety, investment, construction, environment and fire protection.

5. To create favorable conditions for agencies, organizations and individuals to actively develop clean and environmentally friendly energy sources in order to contribute to ensuring energy security, economical and efficient use of national resources.

6. Acts contrary to regulations in the process of developing self-produced and self-consumption rooftop solar power:

a/ To carry out development in contravention of the principles and procedures prescribed in this Decree.

b) Investment, installation and operation of capacity exceeding the capacity approved by competent agencies for self-produced and self-consumption, rooftop solar power connected to the national electricity system.

c) Take advantage of regulations on development of self-produced and self-consumption rooftop solar power to trade in or sell electricity to other organizations and individuals.

d/ Prohibited acts in accordance with relevant laws.

# Article 5. Development of self-produced and self-consumption rooftop solar power

1. Self-produced and self-consumption rooftop solar power connected to the national electricity system

a) Agencies, organizations and individuals, when developing self-produced and self-consumption rooftop solar power, must register according to the provisions of this Decree.

b) Agencies, organizations and individuals are entitled to generate or not generate excess electricity output (if any) of self-produced or self-consumed rooftop solar power into the national electricity system. In case organizations or individuals choose to generate excess electricity output into the power system, the electricity unit shall record the electricity output at a non-uniform price and not be paid.

c) Organizations and individuals shall, based on the scale, electricity consumption output and electricity demand, register the capacity for development of self-produced and self-consumption rooftop solar power to ensure that the installed capacity is less than the existing load at the time of registration.

d) Self-produced and self-dissipating rooftop solar power with a set capacity of 500 kWp or more must have a remote control system and connect to a regional dispatch unit.

dd) The total capacity of self-produced and self-consumption rooftop solar power does not overload the regional power grid.

2. Rooftop solar power is not connected to the national electricity system

a) Organizations and individuals, when developing self-produced or self-consumption rooftop solar power, must register according to the provisions of this Decree.

b) Self-produced and self-consumption rooftop solar power shall be prioritized for development without limiting capacity.

**Article 6. Policies to encourage self-produced and self-consumption rooftop solar power**

1. Self-produced and self-consumption rooftop solar power with capacity under the implementation plan of the national electricity development plan is determined to be in accordance with Clause 1, Article 11 of the 2004 Law on Electricity, amended and supplemented in Clause 6, Article 1 of Law No. 24/2012/QH13.

2. Self-produced and self-consumption rooftop solar power is exempt from electricity operation licenses.

3. Construction works installed with self-produced and self-consumption rooftop solar power are not required to adjust and supplement land, energy and functions as prescribed by law.

4. Organizations and individuals developing self-produced and self-consumption rooftop solar power may settle dossiers and procedures according to the interconnecting single-window mechanism as prescribed in this Decree.

5. Organizations and individuals are encouraged to combine self-produced and self-consumption rooftop solar power with investment, installation and operation of electricity storage systems to take initiative in electricity production, trading and use.

6. To prioritize budget allocation for the development of self-produced and self-consumption rooftop solar power installed at headquarters of administrative agencies, public non-business units, headquarters of agencies and units identified as public assets.

# Article 7. Development Registration

1. For self-produced and self-consumption rooftop solar power connected to the national electricity system.

a) Organizations and individuals wishing to develop self-produced and self-consumption rooftop solar power shall send registration dossiers under Clause 3 of this Article to the Department of Industry and Trade.

b) The Department of Industry and Trade shall receive the registration dossier, transfer it to the electricity unit and relevant departments (Department of Construction, Department of Natural Resources and Environment, Provincial Public Security) for consideration, settlement and return of results within a maximum of 15 working days from the date of receipt of complete and valid dossiers. In case the application is invalid or incomplete, the Department of Industry and Trade shall reply to the organization or individual within a maximum of 3 working days from the date of receipt of the dossier.

2. For self-produced or self-consumption rooftop solar power not connected to the national electricity system, organizations and individuals wishing to develop self-produced or self-consumption rooftop solar power shall register it with the Department of Industry and Trade according to Form No. 01.

3. Dossier of registration for development of self-consumption rooftop solar power connected to the national electricity system

a/ For households

- Registration certificate in Form No. 2

- Preliminary drawing of the installation site

b/ For agencies and organizations

- Registration certificate in Form No. 2

- Preliminary design drawings

**CHAPTER III**

**IMPLEMENTATION ORGANIZATION**

# Article 8. Responsibilities of ministries and branches

1. Ministry of Industry and Trade

Preside over and coordinate with People's Committees of provinces and centrally-run cities, Vietnam Electricity and relevant ministries and sectors in:

a) Manage and monitor the total scale of rooftop solar power development nationwide.

b/ Guide organizations and individuals to comply with the provisions of this Decree.

c) Inspect the development of self-absorbing rooftop solar power.

2. Ministry of Construction

Guidance on unifying forms and contents of safety assessment of construction works for construction works installed with self-absorbing rooftop solar power.

3. Ministry of Public Security

a) Guide the unification of forms and contents of assessment of fire prevention and fighting in the process of design, installation and operation of rooftop solar power.

b) Prevent and combat crimes and violations of the law on environmental protection in the field of rooftop solar power development.

4. Ministry of Natural Resources and Environment

Guide the unification of forms and contents of assessment of environmental protection in the process of installation, operation and waste management.

5. Ministry of Planning and Investment

Balancing and allocating public investment capital to encourage the development of self-produced and self-consumption rooftop solar power.

6. Ministry of Finance

a) Balancing and allocating budgets to encourage the development of self-produced and self-consumption rooftop solar power.

b/ Guide the electricity unit to account for the excess electricity output received into the national electricity system.

**Article 9. People's Committees of provinces and centrally-run cities**

a) Be responsible for the state management of rooftop solar power development in the locality.

b) For self-produced and self-consumption rooftop solar power connected to the national grid, provincial-level People's Committees shall assign the Department of Industry and Trade to approve the development capacity for organizations and individuals.

c) Publicize the scale of self-produced and self-consumption rooftop solar power capacity connected to the national electricity system developed according to the implementation plan of the national electricity development plan; total capacity approved for development; total remaining capacity.

d) Inspect the settlement of dossiers and procedures for organizations and individuals developing rooftop solar power in their localities.

dd) Consider and prioritize the capacity for development of self-produced and self-consumption rooftop solar power connected to the national electricity system for enterprises producing goods for export.

e) Organize propaganda of mechanisms and policies to encourage the development of self-produced and self-consumption rooftop solar power.

g) Organize the revocation of approval for development of self-sufficient rooftop solar power for organizations and individuals that fail to complete the installation more than 6 months from the date of approval.

h) Report to the Ministry of Industry and Trade on the development of self-produced and self-consumption rooftop solar power in the area before June 25 and December 25 of each year.

8. Power units

a) Coordinate with localities in synthesizing, statistically and controlling the development of self-produced and self-consumption rooftop solar power according to the approved national electricity development plan.

b) Record, manage and account for the excess electricity generated by self-produced and self-dissipated rooftop solar power into the electricity system according to regulations.

c) Coordinate with state management agencies in examining and recommending handling of self-produced and self-consumption rooftop solar power activities affecting the national electricity system (if any).

9. Responsibilities of organizations and individuals

a/ To comply with the provisions of this Decree and coordinate with electricity units to ensure the safe operation of the national electricity system.

b/ To comply with standards, regulations and regulations of law on electricity quality, information sharing connection in accordance with the law on electricity.

c) Collect, dismantle and take responsibility for handling all materials, equipment and wastes generated during construction, operation or at the end of operation of self-produced and self-consumption rooftop solar power in accordance with the provisions of environmental law.

d/ To comply with regulations on electrical safety, construction safety, environment and fire prevention and control in accordance with current laws.

**Article 10. Transitional provisions**

For the project, the rooftop solar power system has been operating before January 1, 2021 and is conducting electricity purchase and sale with the power unit, strictly prohibiting the act of connecting to self-produced and self-consumption rooftop solar power for profit.

# Article 11. Enforceability

1. This Decree takes effect from the date ... Abolition of the provisions of law on rooftop solar power development in legal documents promulgated by the Prime Minister and Ministers before the effective date of this Decree.

2. Ministers, heads of ministerial-level agencies, heads of agencies attached to the Government, presidents of People's Committees of provinces and centrally-run cities; Heads of agencies, units and organizations and individuals involved in the development of self-consumption rooftop solar power shall implement this Decree./.

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| ***Recipients:*** - Party Central Secretariat;  - Prime Minister, Deputy Prime Ministers;  - Ministries, ministerial-level agencies and agencies attached to the Government;  - People's Councils, People's Committees of provinces and centrally-run cities;  - Central Offices and Party Committees;  - Office of the General Secretary;  - Office of the President;  - National Assembly Councils and Committees of the National Assembly;  - People's Courts supreme;  - Supreme People's Procuracy;  - State Audit;  - National Financial Supervision Commission;  - Bank for Social Policy;  - Vietnam Development Bank;  - Central Committee of the Vietnam Fatherland Front;  - Central agencies of mass organizations;  - OOG: Minister, Deputy Heads, Assistant PM, General Director of E-commerce Portal, Departments, Departments, Subordinate Units, Official Gazette;  - For filing: Admin, Industry (2b). | **ON BEHALF OF GOVERNMENT**  **PRIME MINISTER      Pham Minh Chinh** |