

MEDIA RELEASE

24 October 2023

EMA Grants Conditional Approval for 1.2 Gigawatt (GW) of Electricity Imports from Vietnam

Plans to import 4GW of low-carbon electricity by 2035 continue to make steady progress

The EMA is granting Conditional Approval to Sembcorp Utilities Pte Ltd (SCU), a wholly-owned subsidiary of Sembcorp Industries Ltd, to import 1.2GW of low carbon electricity from Vietnam to Singapore. Based on SCU's proposal, the imported electricity will harness offshore wind power and potentially other forms of generation, to be developed with Petrovietnam Technical Services Corporation (PTSC). It will be transmitted from Vietnam to Singapore via new subsea cables that will span a distance of around 1,000km.

2 The Conditional Approval recognises that the project is preliminarily assessed by EMA to be technically and commercially viable. It facilitates SCU in obtaining necessary regulatory approvals and licences for the project. It also builds on the offshore wind site survey permit approval and Letter of Intent issued to the SCU-PTSC Consortium by the Vietnam and Singapore governments respectively in August 2023.

3 The progress made on this project is a positive development arising from the Memorandum of Understanding (MOU) on Energy Cooperation between Vietnam and Singapore, signed in October 2022, which reaffirmed both countries' commitment to support and facilitate clean energy transition efforts and regional decarbonisation, including greater cross-border electricity trading.

4 On 25 October 2021, Minister for Trade and Industry Gan Kim Yong announced Singapore's plans to import up to 4 GW of low-carbon electricity by 2035. To date, EMA has granted Conditional Approvals to projects from various sources, comprising 2 GW from Indonesia, 1 GW from Cambodia and 1.2 GW from Vietnam. If realised,

these projects will collectively tap on a diverse mix of solar energy, hydropower, and wind power.

5 To ensure reliability of supply, EMA has been working with importers to put in place sufficient safeguards against any prolonged supply disruptions. EMA will also continue to explore low-carbon alternatives such as geothermal, hydrogen and technologies such as carbon capture and storage to ensure that the power system remains secure, reliable and sustainable.

Annex A: Information on the Singapore Energy Transition

Annex B: How Does the Request-for-Proposal Process Work?

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About the Energy Market Authority

The Energy Market Authority (EMA) is a statutory board under the Singapore Ministry of Trade and Industry. Through our work, we seek to build a clean energy future that is resilient, sustainable, and competitive. We aim to ensure a reliable and secure energy supply, promote effective competition in the energy market and develop a dynamic energy sector in Singapore. Visit www.ema.gov.sg for more information.

ADVANCING SINGAPORE'S ENERGY TRANSITION TOWARDS A MORE SUSTAINABLE FUTURE

Climate change is a global existential threat and Singapore is doing its part to reduce emissions for a more sustainable future. As announced by Minister for Finance Mr Lawrence Wong at Budget 2022, Singapore will raise our climate ambition to achieve net zero emissions by 2050.

2 The power sector has a key part to play as it accounts for about 40% of Singapore's carbon emissions¹. We need to significantly reduce the power sector's emissions, while ensuring that the power system remains secure, reliable, and sustainable. Singapore is therefore harnessing natural gas, solar, regional power grids, and low-carbon alternatives to transform its energy supply, while promoting energy efficiency to reduce demand. Electricity imports are illustrative of how Singapore is tapping on regional power grids to meet energy demand.

Regional Power Grids

3 To address Singapore's land constraints, the country is looking to regional power grids for clean energy sources. Regional power grids can accelerate renewable energy development in the region and facilitate economic growth while diversifying energy sources away from fossil fuels.

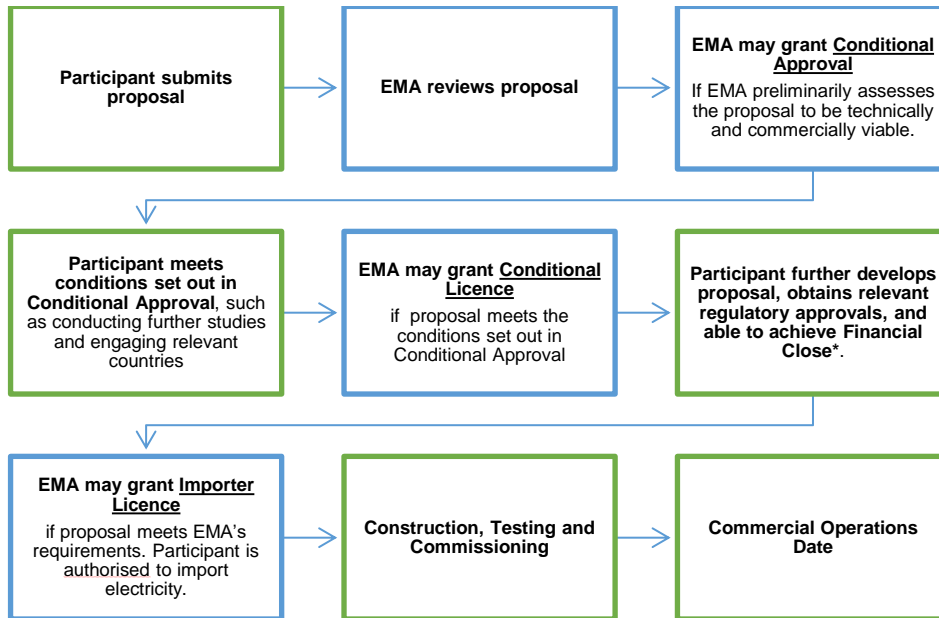
4 By 2035, Singapore plans to import 4 GW of low-carbon electricity. The imports will be obtained through a competitive RFP process, while maintaining energy security by diversifying import sources and ensuring backup supplies.

5 EMA is working with various partners on electricity import trials to refine technical and regulatory frameworks, including the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP) project importing up to 100 MW of renewable hydropower from Lao PDR to Singapore via Thailand and Malaysia.

¹ Source: National Climate Change Secretariat

How does the Conditional Approval Process Work?

Below diagram outlines the steps involved in the provision of Conditional Approval. More details are available at <https://go.gov.sg/imports-rfp>.



**Financial close refers to the stage at which all necessary financing for the project has been secured, all conditions have been met, and all parties have signed the required documentation for project developer to start drawing down the financing to fund the project.*

Legend:

Participant's action

EMA's action