

SINGAPORE AND VIETNAM SIGN LETTER OF INTENT TO ENHANCE COOPERATION IN CROSS-BORDER ELECTRICITY TRADE FOR THE ASEAN POWER GRID

1. Singapore's Second Minister for Trade and Industry Dr Tan See Leng and Vietnam's Minister of Industry and Trade Nguyen Hong Dien signed a Letter of Intent (LOI) to enhance cooperation in cross-border electricity trade (CBET) for the ASEAN Power Grid today. The signing was witnessed by Singapore's Prime Minister Lawrence Wong and Vietnam's Prime Minister Pham Minh Chinh during Prime Minister Wong's official visit to Vietnam.
2. The LOI on enhanced cooperation in CBET for the ASEAN Power Grid builds on the Memorandum of Understanding (MOU) on energy cooperation between Singapore and Vietnam signed on 17 October 2022, and the joint report on offshore wind power trade cooperation between Vietnam and Singapore endorsed on 12 March 2025.
3. Under the LOI, both countries reaffirmed their shared desire to establish a sustainable, inclusive and resilient ASEAN Power Grid, comprising multiple energy interconnections akin to that in other regions, to advance ASEAN's shared vision of multilateral and multidirectional cross-border power trade and enhanced energy security. Both countries will explore increasing the targeted capacity of low-carbon electricity imports from Vietnam to Singapore to around 2 GW by 2035. This builds on the Conditional Approval granted by the Energy Market Authority of Singapore to Sembcorp Utilities in October 2023, to import 1.2GW of low-carbon electricity via new subsea cables of around 1,000km from Vietnam to Singapore. The Vietnam and Singapore Governments will continue to engage interested companies with credible and commercially viable proposals.
4. Minister Tan said, "This LOI reflects our enhanced level of ambition to support not just cross-border electricity trading between our two countries, but the broader development of a sustainable, inclusive and resilient ASEAN Power Grid."

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