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| MINISTRY OF INDUSTRY AND TRADE No. 16/CT-BCT | **SOCIALIST REPUBLIC OF VIETNAM**Independence - Freedom - Happiness\*\*\**Hanoi, December 26, 2024* |

**DIRECTIVE
on strengthening the implementation
of solutions to promote biofuels consumption in Vietnam**

Over the past time, the Ministry of Industry and Trade has presided over and coordinated with relevant ministries, branches and agencies to carry out many activities to implement Decision 53/2012/QD-TTg dated November 22, 2012 of the Prime Minister on promulgating the roadmap for applying the blending ratio of biofuels with traditional fuels (Decision 53/2012/QD-TTg) such as: Issuing guiding documents; Coordinating with localities and enterprises to promote production to ensure the supply of Ethanol to meet the demand for blending biofuels with traditional fuels; Organizing propaganda activities to raise awareness among people and enterprises about the economic benefits and environmental protection of biofuels; Proposing solutions and policies to support enterprises distributing biofuels; Cooperating internationally with a number of prestigious organizations in the world to develop biofuels in Vietnam; Coordinating with ministries, branches and localities in inspecting and supervising the implementation of the roadmap and during the implementation process, promptly conduct research and propose adjustments to the roadmap to suit the practical situation. Thanks to the above efforts, from January 1, 2018, E5 RON92 gasoline has been produced and traded nationwide.

Although the Ministry of Industry and Trade is very determined and has been implementing plenty of solutions to encourage the use of biofuels, the trend of using this fuel has not been as expected. In this situation, the Minister of Industry and Trade requests relevant units and agencies under the Ministry of Industry and Trade, Departments of Industry and Trade of provinces and centrally-run cities, Vietnam Petroleum Association and petroleum traders, E100 fuel Ethanol production enterprises to seriously continue to implement the following specific tasks and solutions:

**1. Domestic Market Department**

a) Continue to coordinate with relevant units to strengthen, monitor and urge localities and petroleum traders to promote the sale of biofuels (E5 RON92, E100) to supply the market.

b) Direct major petroleum traders to report to the Ministry of Industry and Trade every 3 months on the implementation of E5 RON 92 gasoline trading to grasp difficulties in the implementation process.

c) Coordinate with the Ministry of Finance and relevant agencies and units to review documents, research and develop a price mechanism to ensure the attractiveness of using E5 RON92 biofuel.

d) Coordinate closely with the Department of Science and Technology and relevant units to organize inspections, reviews, and assessments of the situation and results of implementing the biofuel blending roadmap according to Decision 53/2012/QD-TTg.

dd) Coordinate closely with media agencies to regularly and fully inform about the supply of gasoline, the management of the gasoline market by the Ministry of Industry and Trade - Finance and relevant ministries and branches, creating a stable and consensus mentality in public opinion. Strengthening communication and information, encouraging the community to use biofuels.

**2. Department of Science and Technology**

a) Preside over and coordinate with relevant functional units within the Ministry to review and assess the implementation status and results of the biofuel roadmap according to Decision 53/2012/QD-TTg. Report, advise, and propose the competent authorities to consider amending, supplementing and improving Decision 53/2012/QD-TTg to suit the current practical situation.

b) Preside over and coordinate with relevant functional units within the Ministry in developing, amending and supplementing technical regulations and standards on the quality of petroleum products. Develop and submit to the Ministry's leaders for promulgation of national technical regulations for biofuels that will be produced and circulated on the market in the coming time.

c) Implement studies on the circular economy regarding the production, trading, usage, and environmental effectiveness of biofuels.

d) Continue to coordinate with regional and international organizations in implementing activities to support the review, research, application, production, enhance communication capacity, and promote the development of biofuels in line with the needs and the actual situation in Vietnam regarding biofuel development.

dd) Provide communication units with basic information to clarify the benefits of using E5 RON92 gasoline, affirming the quality and technical [standards] so that consumers are reassured to use E5 RON92. Continue to coordinate with the Ministry of Information and Communications and the Ministry's communication units to promote the National Communication Program to encourage the community to use biofuels. 3. Department of Petroleum and Coal

**3. Department of Oil, Gas and Coal**

a) Coordinate with relevant units to continue monitoring and reviewing the production and business activities of ethanol fuel production plants, and research proposals for solutions that align with current regulations to support ethanol fuel E100 production plants for the market.

b) Prepare reports and research policy proposals to support businesses producing or importing E100 and blending biofuels.

**4. Import-Export Department:**

Develop reports on the results of implementing trade policies for imported E100 and domestic E100 production materials, and send them to the Department of Science and Technology for consolidation and reporting to the Leaders.

**5. General Department of Market Management**

a) Strengthen inspection and supervision of the implementation of the roadmap for applying the ratio of blending biofuels with traditional fuels, promptly inspect and strictly handle violations in the petroleum business, including biofuels.

b) Direct the Market Management Departments of provinces and cities to coordinate with local Departments of Industry and Trade to implement professional measures, develop plans and conduct regular and ad hoc inspections on compliance with laws in the business activities of petroleum and biofuel enterprises; strictly handle acts of hoarding goods waiting for its price increases or profiteering in petroleum and biofuel business activities.

**6. The Ministry's Inspectorate**

Advise on the development, amendment, and implementation of the annual inspection and examination plan of the Ministry of Industry and Trade, with a focus on strengthening the inspection and supervision of compliance with legal regulations in petroleum business activities, including biofuels. This applies to petroleum traders nationwide to promptly identify and strictly handle violations in accordance with regulations.

**7. Legal Department**

a) Review and propose regulations in legal normative documents related to the petroleum business, including biofuels, and amend or supplement them to align with practical realities and current legal provisions.

b) Take the lead and coordinate with relevant units to strengthen the monitoring of law enforcement, propaganda and dissemination of regulations in the petroleum and biofuel business sector in accordance with assigned functions and responsibilities.

**8. Office of the Ministry, information and communication units under the Ministry:**

a) Develop and propose plans, strategies, and budgets to continue implementing communication activities regarding the supply of petroleum, including biofuels. This includes disseminating the policies and directives of the Government and relevant ministries and localities on ensuring petroleum supply for the market to foster public consensus, while avoiding the spread of false information that could cause panic or market instability.

b) Actively and proactively promote information and communication on E5 RON92 gasoline, emphasizing the benefits of using E5 RON92, and affirming its quality and technical [standards] so that consumers are reassured to use it in order to encourage the community to increase the use of biofuels.

**9. Relevant units under the Ministry**

Actively coordinate and effectively implement the above-mentioned tasks in accordance with their assigned functions and responsibilities.

**10. Departments of Industry and Trade in provinces and centrally-run cities**

a) Continue to strengthen guidance and directives for petroleum traders in their respective areas to promote the business of E5 RON92 gasoline; consolidate any difficulties or obstacles encountered during the organization of E5 RON92 gasoline business activities and report them to the Ministry of Industry and Trade for timely solutions.

b) Continue to collaborate with local departments, committees, agencies, and petroleum traders to enhance information dissemination and communication, fostering social consensus on the use of biofuels in general and E5 RON92 gasoline in particular; Reaffirm the quality and technical [standards] of these fuels so that consumers are reassured to use them in order to encourage greater adoption of biofuels within the community.

**11. Vietnam Petroleum Association**

a) Ensure that all members strictly and actively implement Decision 53/2012/QĐ-TTg dated November 22, 2012 of the Prime Minister regarding the roadmap for the blending ratio of biofuels with traditional fuels.

b) Participate in proposing mechanisms and policies to support the development of biofuels, including tax and fee incentives or other forms of support, to reduce costs and enhance the competitiveness of biofuels in order to expand the biofuel consumption market.

**12. Petroleum traders**

a) Major petroleum traders:

- Ensure the supply of E5 RON92 biofuel meets market demand according to the roadmap outlined in Decision 53/2012/QĐ-TTg. Report the implementation progress to the Ministry of Industry and Trade (Domestic Market Department and Department of Science and Technology) before the 28th of each quarter for consolidation and reporting.

- Focus on sharing supply and profits within the distribution system in a reasonable manner to ensure an uninterrupted supply of petroleum to the market. Support and encourage [petroleum] distributing traders and retail businesses in the system to promote the consumption of biofuels through incentive programs and appropriate pricing policies to increase competitiveness compared to traditional fossil fuels.

- Responsible for providing complete and timely data to competent authorities (Ministry of Finance, Ministry of Industry and Trade...) to serve as a basis for accurate updating and calculating all costs of petroleum business in the formula for calculating the basic price of petroleum and biofuel products, ensuring efficiency in managing and stabilizing petroleum prices, and harmonizing the interests of the State, enterprises and people

b) Major traders and petroleum-distributing traders:

- Actively coordinate with relevant authorities and participate in proposing mechanisms and policies to support the development of biofuels, including tax incentives, fees, or other forms of support to reduce costs and enhance the competitiveness of biofuels. This aims to expand the biofuel consumption market, especially in regions with high potential demand.

- Proactively coordinate with the People's Committees and Departments of Industry and Trade of provinces/centrally-run cities to enhance information and propaganda efforts about the use of E5 RON 92 gasoline, affirming its quality and technical standards so that consumers are reassured to use it in order encourage the community to increase the use of biofuels.

**13. Effectiveness and enforcement responsibility**

a) This Directive takes effect from the date of signing.

b) The Chief of the Ministry's Office, the Director General of the General Department of Market Management, the Chief Inspector of the Ministry, the Director of the Department of Export-Import, the Directors of the following departments: Domestic Market, Oil, Gas and Coal, Science and Technology, Legal Affairs, the Departments of Industry and Trade of provinces and centrally-run cities, the Vietnam Petroleum Association, and the major petroleum business traders and distributing traders are responsible for implementing this Directive.

c) During the implementation process, if there are any difficulties or obstacles, relevant agencies, organizations, and businesses are requested to report or reflect in writing to the Ministry of Industry and Trade (Domestic Market Department) for summarization and handling.

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| ***Recipients:**** As per point b, clause 13;
* The Prime Minister (for reporting);
* The Deputy Prime Ministers (for reporting);
* The Government Office;
* The Ministry of Finance;
* The State Bank of Vietnam;
* The People's Committees of provinces and centrally-run cities;
* The Deputy Ministers;
* Major petroleum business traders;
* Petroleum distributing traders;
* Archive: Office, Domestic Market Department (QuanDM).
 | **MINISTER**(signed)**Nguyen Hong Dien** |