Petrovietnam and AFD forge partnership to accelerate Vietnamâ??s energy transition

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MoU creates a framework for technical cooperation, project development and access to international green finance as Vietnam pursues its 2050 net-zero goal

Petrovietnam and France’s development agency Agence Française de Développement (AFD) have signed a memorandum of understanding to cooperate on energy-transition projects, strengthening the financial and technical foundations for Vietnam’s shift towards a lower-carbon energy system.

Supported by the French Government, the European Union and the Team Europe Energy Transition Facility in Vietnam, the partnership is designed to connect Petrovietnam’s industrial and energy capabilities with international expertise, project-development experience and long-term financing.

The agreement comes as Vietnam works towards its target of achieving net-zero emissions by 2050, a transition that will require significant investment in clean energy, infrastructure, technology and energy efficiency.

From transition targets to investable projects

The MoU is intended to move cooperation beyond broad energy-transition objectives towards projects that can be developed, financed and implemented.

For Petrovietnam, the partnership provides access to international technical expertise and financing networks while supporting the group's efforts to strengthen its capabilities in preparing and executing projects aligned with global environmental and social standards.

AFD will support the Vietnamese energy group with technical assistance, international best practices and expertise, while helping create pathways to long-term financing for strategically important investments.

The cooperation could become particularly relevant as Vietnam expands its clean-energy infrastructure and modernises its power system.

European expertise meets Vietnam's energy ambitions

The partnership also reinforces the broader energy-transition relationship between Vietnam, France and the European Union.

Energy transition is emerging as a strategic area for Vietnam as the country seeks to improve energy security, upgrade infrastructure and accelerate clean-energy deployment while maintaining economic growth.

European companies and institutions bring expertise across several areas relevant to Vietnam's transition, including offshore wind, electricity grids, system integration, digital technologies, energy efficiency and project engineering.

The EU's Global Gateway strategy provides a broader framework for developing sustainable infrastructure and investment partnerships, creating additional opportunities for cooperation between European institutions and Vietnamese companies.

Project preparation becomes a financing priority

A major focus of the partnership will be improving the quality and bankability of energy-transition projects.

AFD considers robust project preparation essential for attracting financing and ensuring successful implementation. Projects that meet high environmental, social and governance standards can also gain improved access to international sources of capital.

For Petrovietnam, developing these capabilities could become increasingly important as the group moves into new energy areas and seeks to diversify its investment portfolio.

The partnership is therefore expected to cover not only financing but also project preparation, technical assistance, implementation capabilities and alignment with international sustainability standards.

Petrovietnam seeks a larger role in the transition

As Vietnam's national industrial and energy group, Petrovietnam faces the dual challenge of supporting national energy security while adapting its business to the country's long-term decarbonisation objectives.

The company has been developing an energy-transition roadmap with defined priorities and actions and is also expanding its international engagement.

The cooperation with AFD is expected to strengthen Petrovietnam's ability to evaluate and develop energy-transition investments while exposing its project teams to international experience and technical standards.

Access to green and long-term financing could also help the group move larger strategic projects from planning into implementation.

Financing, technology and execution converge

The partnership comes at a time when Vietnam's energy transition is entering a more investment-intensive phase.

Meeting the country's 2050 net-zero ambition will require more than renewable-energy capacity. It will involve modern power networks, improved system integration, energy efficiency, new technologies and stronger institutional and project-development capabilities.

The Petrovietnam-AFD agreement brings these elements together by linking a major domestic energy player with a European development-finance institution.

For Petrovietnam, the immediate opportunity lies in turning international expertise and financing access into commercially viable projects. For Vietnam, the broader objective is to build the infrastructure and investment pipeline required to support a more secure and sustainable energy system.

The MoU therefore represents a step towards translating Vietnam’s energy-transition ambitions into projects capable of attracting capital, technology and long-term international partnerships.