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Electric Power Development Co., Ltd. (J-POWER)

Vietnam: MoU Signed with Vinafor for Joint Examination of Biomass Business Development

Electric Power Development Co., Ltd. (J-POWER; headquartered in Chuo-ku, Tokyo; President & CEO: Toshifumi Watanabe) today signed a memorandum of understanding (MoU) with Vietnam Forestry Corporation (Vinafor; headquartered in Hanoi, Vietnam; General Director/Member of BOD: Le Quoc Khanh) to jointly examine the development of the biomass business in Vietnam, including power generation and fuel production.

Vinafor is a major state-owned forestry corporation in Vietnam that manages approximately 43,000 hectares of forests and works in the fields of afforestation, manufacturing of industrial wood board and interior/exterior furniture for export, and trading of wood products. Vinafor is a leader in the development of sustainable forestry in Vietnam through afforestation and forest management, as well as through processing and manufacturing products to improve the efficient use of plantation wood .

Recently in Vietnam, where economic growth has been remarkable, demand for electric power has been increasing at nearly 10 percent a year. Under National Power Development Plan (PDP) VIII—currently being formulated by the Vietnamese government, high demand for electric power is expected to grow over the next 10 years, and a significant introduction of renewable energy is planned. At the same time, use of biomass fuels, including from wood, is anticipated.

The purpose of this MoU is for Vinafor, with expertise in managing, harvesting and processing plantation wood in Vietnam, and J-POWER, with experience in the biomass fuel and power generation businesses in and outside Japan, to jointly examine the biomass business in Vietnam. Through this joint examination, J-POWER intends to enter into and expand the biomass power generation business in Vietnam and will strive to gain knowledge of the sustainable use of biomass fuels through a broad involvement in the supply chain for biomass fuels.

The J-POWER Group contributes to the world's stable power supply and helps to achieve carbon neutrality as a group of companies that is fully committed to the plan, BLUE MISSION 2050, released in February 2021.