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Vietnam's Energy Crossroads: Japan and Korea Pushing For Gas

South Korean and Japanese business interests appear to be pushing Vietnam to invest in long-term gas infrastructure in a move which could delay the country's net zero climate goals, a *new report* by climate think tank InfluenceMap shows.

The report analyses the climate policy engagement activities in Vietnam of major Japanese and Korean businesses, including **JERA, Mitsubishi Corporation, Korea Gas Corporation (KOGAS), and Korea Southern Power (KOSPO)**. The report also examines the engagement activities of key industry groups.

It highlights a range of messaging tactics being used by the industry to present unabated fossil gas as a 'low carbon' solution to Vietnam's energy needs.

This strategy appears to be part of a broader push to embed fossil gas in the energy mix of the wider Asia region, which raises questions about whether the channels of policy influence adopted by the gas industry are aligned with the goals of the Paris Agreement.

InfluenceMap Korea Country Manager Yuna Chang said: *"Vietnam is at an energy crossroads. As it considers which path to take in its latest Power Development Plan (PDP8), the Vietnamese government has been clear that its energy transition will require foreign investment.*

"However, rather than helping Vietnam shift the economy from coal to renewables, South Korean and Japanese business interests appear to be pushing Vietnam to embrace gas. This has the potential to delay Vietnam's goal of reaching net zero."

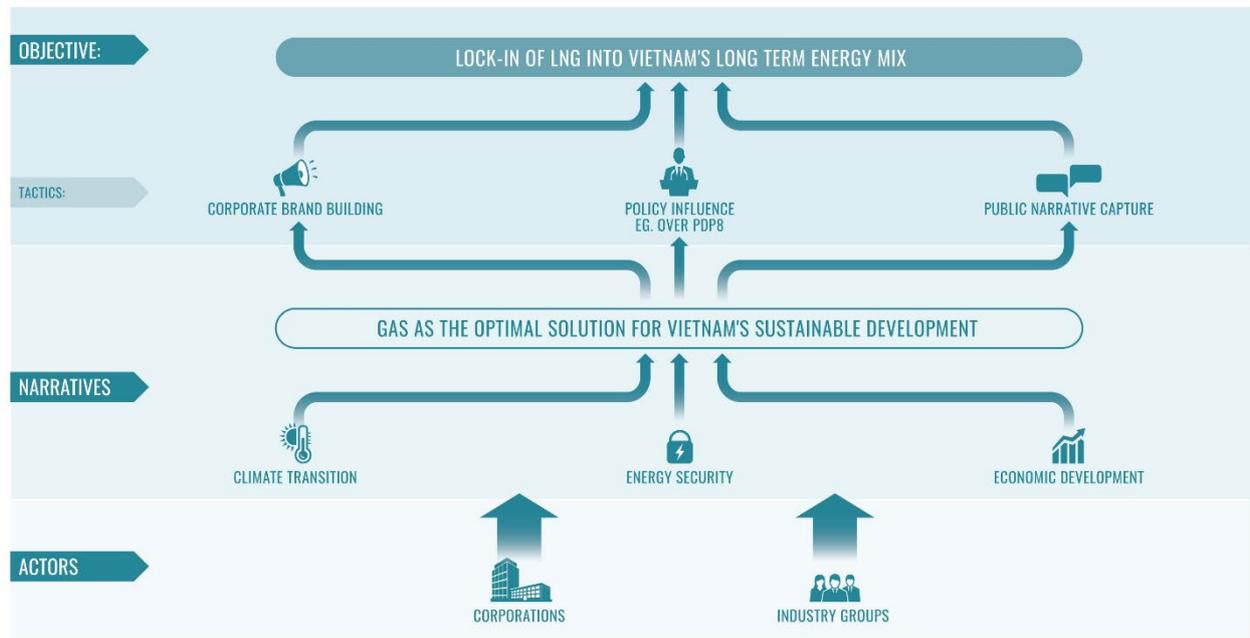
The report shows:

- Direct advocacy by Japanese and South Korean business interests to allow investment in new LNG import infrastructure within Vietnam's Power Development Plan 8 (PDP8).
- The Japan Chamber of Commerce and Industry in Vietnam and Korea Chamber of Business in Vietnam both pushing for Vietnamese government support to fast-track and approve new LNG infrastructure. This advocacy is significantly more pronounced than most of their member companies.
- Key industrial players within Japan have requested and taken advantage of Japanese-government sponsored channels to directly interact with Vietnamese policymakers, with a view to pushing for LNG expansion across South East Asia.

InfluenceMap's analysis complements the findings of a separate study by *Carbon Tracker Initiative*, which shows significant financial risks for Vietnam if it were to embrace fossil gas. Its report suggests that new solar and onshore wind power developments in Japan, South Korea

and Vietnam are either already cheaper, or will become cheaper overall investments than new gas units by 2025.

Use of narratives by LNG companies & industry associations to feed into industry objectives



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Full report is available here

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About InfluenceMap

InfluenceMap is a London-based think tank providing data driven analysis to investors, corporations and the media on issues related to energy and climate change. Our metrics for measuring corporate influence over climate policy are used by investors, including the global Climate Action 100+ investor engagement process. We have analysts in London, New York, Tokyo, and Seoul.