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Energy

The Electricity Law No. 61/2024/QH15 enacted by the National Assembly on November 30, 2024, which entered into effect on February 1, 2025

Key changes under the new law are as follows:

- **Addition of provisions on emergency power projects and facilities:** These are exempt from the procedures for approving investment policies and converting forest land use purposes to other purposes. The Prime Minister decides to approve the list of emergency power projects and facilities based on assessments and proposals from the Ministry of Industry and Trade or provincial People's Committees (except for power projects and facilities under the National Assembly's authority to approve investment policies).
- **Addition of cases exempt from electricity activity licenses** to streamline procedures, for example, organizations generating electricity and supplying it to the national grid are exempt from wholesale electricity licenses, as well as other cases not subject to the requirement of obtaining an electricity activity license under regulations (these provisions were not included previously).
- **Addition of provisions on developing competitive market levels** to restructure the electricity sector, reform electricity pricing mechanisms, reduce and eventually eliminate cross-subsidies between customer groups and regions. The goal is to develop an increasingly fair and transparent electricity market without discrimination.
- **Addition of provisions on renewable energy and new energy electricity** into the law – previously, there was only a draft decree on the development of renewable energy and new energy electricity. Accordingly, regulations on incentives and policies to encourage the development of these forms of electricity are specified.
- **Addition of forward contracts** – a type of contract under the form of trading through agreements between the electricity seller and buyer, which was not included in the current law. As electricity prices in the day-ahead market fluctuate rapidly with each trading cycle (currently each cycle lasts 30 minutes), forward contracts are used to establish a fixed electricity price for specific periods as agreed by both parties – to mitigate risks from price fluctuations in each trading cycle.
- **Addition of more detailed regulations on electricity trading with foreign countries:**
 - ☞ Allows parties to negotiate when directly connecting grids with foreign countries without going through the national grid system.
 - ☞ The imported electricity price must align with the price framework issued by the Minister of Industry and Trade.
 - ☞ The exported electricity price must: (i) not be lower than the maximum price set by the Minister of Industry and Trade for cases not involving the national grid system, and (ii) not be lower than the maximum average retail electricity price in the domestic market for cases involving the national grid system.
 - ☞ The Minister of Industry and Trade is tasked with approving policies for electricity trading with foreign countries. Recently, the Ministry of Industry and Trade officially issued Decision No. 2647/QD-BCT approving the price framework for importing

electricity from Laos to Vietnam, effective from December 31, 2025; this decision specifies the import price levels for two types of power plants, namely hydropower and wind power.

*Decree No. 18/2025/ND-CP dated February 8, 2025 providing “**Detailed Regulations on Certain Provisions of the Electricity Law related to Electricity Trading Activities and Situations ensuring Electricity Supply**”*

The most notable provision of this decree pertains to measures ensuring the performance of electricity trading contracts, as follows:

- **Responsibility of the electricity buyer to ensure contract performance:**
 - ☞ **Applicable scope:** Applies to customers using electricity with an average consumption of 1,000,000 kWh/month or more (as per the electricity trading contract).
 - ☞ If the registered consumption is below this threshold but the actual average consumption over the most recent 12 months reaches 1,000,000 kWh/month or more, the contract must be amended or supplemented with performance assurance provisions before taking effect.
- **Agreement on annual assurance value:** Based on the actual average electricity consumption over the preceding 12 consecutive months.
- **Contract assurance value:**
 - ☞ Determined by agreement between the parties, ranging from 10 to 15 days’ worth of electricity costs.
 - ☞ Calculated based on the average monthly or 12-month electricity consumption and the normal-hour electricity price.
- **Assurance measures:** Specifically agreed upon in the contract, with bank guarantees being encouraged as a preferred method.
- **Exempted entities:** Customers using electricity to serve the headquarters of state agencies, public service entities, armed forces, political organizations, and socio-political organizations are not subject to these requirements.

*Decision No. 266/QD-TTg of the Prime Minister dated February 12, 2025 promulgating the “**Plan to Implement the Global Declaration on Transitioning from Coal Power to Clean Energy**”*

The main points of the plan, effective February 12, 2025, are as follows:

Specific objectives by phase:

- **By 2030:**
 - ☞ Pilot carbon capture projects.
 - ☞ Decommission approximately 540MW if improvements are not feasible.
 - ☞ Pilot co-firing with biomass/ammonia.

- ☞ Increase renewable energy to 29.2-37.7% of the energy mix.
- ☞ Achieve 8-10% energy savings.
- ☞ Initiate the Ninh Thuận nuclear power plant.
- **2031-2040:**
 - ☞ Resolutely phase out low-efficiency/old-technology coal plants.
 - ☞ Prohibit permits for new coal plants.
 - ☞ Transition to biomass/ammonia co-firing (from 20% to 100%).
 - ☞ Implement carbon capture if the pilot is successful.
 - ☞ Expand renewable energy development.
- **2041-2050:**
 - ☞ By 2045: Develop 1,160MW of clean energy, convert 18,642MW to biomass/ammonia, with 6,990MW fully transitioned.
 - ☞ By 2050: Develop 3,335MW of clean energy, convert 25,632-28,832MW to biomass/ammonia, and install carbon capture systems.
- **Post-2050:** Eliminate the use of coal for electricity production entirely.

Key components

- **Technical aspects:**
 - ☞ Research co-firing with biomass/ammonia, carbon capture technologies, renewable energy industries, and grid upgrades.
- **Financial aspects:**
 - ☞ Utilize state budget funds.
 - ☞ Mobilize domestic and international resources (e.g. Just Energy Transition Partnership, Asia Zero Emission Community).
 - ☞ Encourage private sector investment.

Enterprise

Draft Bankruptcy Law

The draft, which amends and supplements the current Bankruptcy Law, introduces several new provisions aimed at reforming bankruptcy procedures and business recovery for enterprises and cooperatives, addressing practical challenges.

These new provisions are grouped into the following key areas:

Court Jurisdiction Specification:

- **Specialized bankruptcy courts:** The draft supplements clear regulations on the authority, duties, and powers of specialized People's Courts dedicated to handling bankruptcy cases. Previously, there were no specific provisions for such specialized courts. With the

establishment of these courts, bankruptcy cases will be resolved more quickly and professionally.

- **High People's Courts and Supreme People's Court:** The draft also expands the jurisdiction of the High People's Courts and the Supreme People's Court in resolving bankruptcy-related cases, ensuring consistency and feasibility in adjudication.

Mediation in Recovery and Bankruptcy Procedures: A significant new feature is the addition of mediation procedures for bankruptcy cases. Mediation provides an opportunity for parties to reach a mutual agreement, potentially avoiding full bankruptcy proceedings. Mediation will take place after the court initiates recovery or bankruptcy procedures and before a decision to suspend or declare bankruptcy is issued.

Separation of Recovery and Bankruptcy Procedures:

- The draft law distinctly separates business recovery procedures from bankruptcy procedures. Previously, recovery was part of the bankruptcy process, which hindered efforts to restore business operations. The draft encourages and prioritizes recovery procedures over bankruptcy, aligning with international practice.

- **New provisions on recovery procedures:**

- ☞ **Additional entities entitled to file recovery requests:**

- Enterprises and cooperatives can file recovery requests themselves (via legal representatives, shareholders, or private enterprise owners).
 - Creditors.

- ☞ **Addition of negotiation procedures:** Before initiating recovery proceedings, enterprises and cooperatives may negotiate with creditors. If an agreement is reached, the court will suspend the recovery process.

- ☞ **Amendments to formulating recovery plans:**

- Managers of enterprises or cooperatives are obligated to develop a business recovery plan.
 - Unsecured creditors, secured creditors, shareholders, and owners of shares or capital contributions have the right to propose recovery plans.

- ☞ **Specific duties and powers of the creditors' conference:**

- The creditors' conference is valid if attended by creditors representing at least 65% of the total debt of the enterprise or cooperative.
 - Resolutions are passed when creditors representing 65% or more of the total debt vote in favor.

Emergency Measures and Asset Preservation:

- **Asset preservation:** Temporary emergency measures will be applied to protect enterprise assets during recovery or bankruptcy. Specifically, provisions include suspending the payment of debt inconsistent with the recovery plan and suspending contributions to pension and death benefit funds for up to 12 months.

- **Additional temporary emergency measures:** Beyond mandating asset handover, measures may include temporarily restricting the legal representative of the enterprise or cooperative from leaving the country.

Simplified Recovery and Bankruptcy Procedures for Small and Micro Enterprises

- The draft law introduces a simplified procedure for small and micro enterprises to reduce the legal burden and cost.
- **Conditions to be eligible to follow the simplified procedures:**
 - ☞ Small and micro enterprises with fewer than 20 unsecured creditors or total debt under VND10 billion.
 - ☞ Enterprises with fewer than 10 creditors and fewer than 200 employees.
- **Advantages of simplified recovery procedures:**
 - ☞ Faster processing time (half the duration of standard procedures).
 - ☞ Fees reduced to half the standard recovery procedure fees.
 - ☞ No need to establish a Creditors' Representative Committee or appoint an administrator.
- **Simplified bankruptcy procedures:**
 - ☞ Resolutions of the creditors' conference are approved when creditors representing at least 51% of unsecured debt vote in favor.

International Bankruptcy Proceedings

- The draft law adds provisions to support cross-border bankruptcy cases, facilitating coordination between Vietnamese enterprises and international financial institutions in resolving overseas bankruptcy matters.
- **Foreign requests for bankruptcy assistance:** Provisions include designating a Vietnamese bankruptcy representative abroad to represent enterprises or cooperatives (in cases where there is no legal representative) in resolving asset disputes in foreign courts, participating in bankruptcy cases handled by foreign courts, and requesting foreign courts to recognize and enforce bankruptcy decisions issued by Vietnamese courts.
- **Assistance with foreign bankruptcy cases:**
 - ☞ **Scope:** Vietnamese courts will assist with foreign bankruptcy cases when:
 - A foreign court or competent authority requests assistance from a Vietnamese court to resolve a foreign bankruptcy case.
 - A foreign bankruptcy representative in Vietnam requests a Vietnamese court to recognize their authority as a creditor or debtor representative to initiate or participate in bankruptcy proceedings handled by a Vietnamese court.
 - ☞ **Jurisdiction and support measures:**
 - Suspension of proceedings related to the enterprise's or cooperative's business activities and assets being handled by administrative agencies.
 - Suspension of enforcement actions or asset auctions to preserve the enterprise's or cooperative's assets.

- Freezing or seizure of the enterprise's or cooperative's assets.
- Prohibiting the enterprise or cooperative from paying or disposing of its assets.
- Other necessary measures to preserve business operations, assets, or protect creditors' interests.

Administrative Procedure Reforms

- A key innovation in the draft law is the reform of administrative procedures by adopting an online platform. The following procedures will be conducted online, minimizing paperwork and processing time:
 - ☞ Issuance, service, notification, and submission of documents in bankruptcy cases.
 - ☞ Filing requests to initiate recovery or bankruptcy proceedings.
 - ☞ Payment of fees, advances for costs, and recovery or bankruptcy expenses.
 - ☞ Submission and delivery of documents and evidence.
 - ☞ Mediation sessions, complaint resolution meetings, meetings to address requests to declare transactions invalid, and creditors' conferences.

Decree No. 20/2025/ND-CP of the Government dated February 10, 2025 “Amending and Supplementing Certain Provisions of Decree No. 132/2020/ND-CP dated November 5, 2020 on Tax Management for Enterprises with Related Party Transactions (“Decree 132/2020”)”

This decree, which enters into effect on March 27, 2025, will impact credit institutions, conglomerates, state-owned corporations, parent-subsidiary companies, and multinational corporations. The key highlights are as follows:

Amendments and supplements to provisions on related parties:

- Under the current regulation in Point d, Clause 2, Article 5 of Decree 132/2020, an enterprise and an economic organization (operating under the Law on Credit Institutions) are considered related parties if the loan meets two conditions: it accounts for at least 25% of the borrowing enterprise's owner's equity and exceeds 50% of the total medium- and long-term debt of the borrowing enterprise. However, in practice, when an enterprise borrows from a bank, financial institution, or credit institution, and these entities do not participate in managing, controlling, contributing capital, or making decisions regarding the borrowing enterprise's production and business activities, they should not be regarded as related parties based on the principle of “substance over form” (i.e. assessing the relationship based on its actual nature rather than its superficial appearance). Therefore, the new decree adds two exclusion cases to Point d, Clause 2, Article 5 as follows: They are **not considered related parties** if the lender/guarantor is an economic organization (operating under the Law on Credit Institutions):
 - ☞ That does not participate in managing, controlling, contributing capital, or investing in the enterprise; and
 - ☞ The enterprise is not jointly managed, controlled, capitalized, or invested in by another party.

- The addition of Point m to Clause 2, Article 5 of Decree 132/2020 introduces two new cases deemed as related party relationships:
 - ☞ A credit institution with its subsidiary or controlling company (direct control/ownership relationship)
 - ☞ A credit institution with an affiliated company of the credit institution (indirect affiliation relationship)

Amendments and supplements to the responsibilities of the State Bank:

- The addition of provisions on the responsibility of the State Bank to coordinate and provide information regarding related individuals of credit institutions (this information is used to identify affiliated companies) and information about affiliated companies of credit institutions upon request from the tax authority.

Replacement of Annex I – Information on related party relationships and transactions:

- The addition of one column under the indicator “Form of related party relationship” corresponding to the addition of Point m, Clause 2, Article 5 mentioned above.

Investment

*Decree No. 19/2025/ND-CP of the Government dated February 10, 2025 on “**Special Investment Procedures under the Investment Law**”*

This decree sets out more expedited investment procedures under the Investment Law 2020 for certain projects. Key highlights are described below.

Scope of application:

- Projects that do not require approval of the National Assembly as stipulated in Article 30 of the Investment Law 2020.
- Projects located in industrial parks, export processing zones, high-tech zones, concentrated information technology zones, free trade zones, and functional zones within economic zones, in the following fields:
 - ☞ Investment in the construction of innovation centers and research and development centers; investment in the integrated circuit semiconductor industry, technology design, manufacturing of components, integrated electronic circuits, flexible electronics, chips, and semiconductor materials.
 - ☞ Investment in high-tech fields prioritized for development, and the production of products listed in the catalog of high-tech products encouraged for development under the Prime Minister’s decision.
- For investment projects already received by the Management Board before January 15, 2025 but for which results have not yet been provided, investors may propose to opt for the application of the special investment procedures.

No.	Content	Regular Investment Procedure	Special Investment Procedure
1	Components of the dossier	<p>Per Clause 1, Article 33 of the Investment Law 2020</p> <p>The dossier for investment approval must include:</p> <p>a) A written request for implementation of the investment project, including a commitment to bear all costs and risks if the project is not approved.</p> <p>b) Documents proving the legal status of the investor.</p> <p>c) Documents demonstrating the financial capacity of the investor, including at least one of the following:</p> <ul style="list-style-type: none"> ▪ Financial statements of the investor for the two most recent years ▪ A commitment of financial support from the parent company ▪ A commitment of financial support from a financial institution ▪ A guarantee of the investor’s financial capacity ▪ Other documents proving the investor’s financial capacity <p>d) Investment project proposal, including the following key content:</p> <ul style="list-style-type: none"> ▪ Information on the investor or the method of selecting the investor, investment objectives, investment scale, investment capital and capital mobilization plan, location, duration, implementation schedule, information on the current land use status at the project location and proposed land use demand (if any), labor demand, proposal for investment incentives, the project’s economic-social impacts and benefits, and a preliminary environmental impact assessment (if required) in accordance with environmental protection laws. ▪ In cases where the construction law requires the preparation of a pre-feasibility study report, the investor may submit the pre-feasibility study report in lieu of the investment project proposal. <p>In cases where the investment project does not request land allocation, a land lease, or permission to change the land use purpose from the State, a copy of the land-use rights documents or other documents confirming the</p>	<p>The dossier for investment registration must include:</p> <p>(1) The documents specified in Points a, b, c, d, đ, g, and h of Clause 1, Article 33 of the Investment Law 2020, wherein:</p> <ul style="list-style-type: none"> ▪ The written request for implementation of the investment project includes a commitment to meet the conditions, standards, and technical regulations as stipulated by the laws on construction, environmental protection, and firefighting and prevention. ▪ The investment project proposal includes the identification and forecast of environmental impacts and measures to mitigate adverse environmental impacts, replacing the preliminary environmental impact assessment. <p>Note: The requirement for “Explanation of the technology used in the investment project for projects subject to technology consultation under technology transfer laws” is removed from the dossier components.</p> <p>(2) Commitment of the investor in the written request for implementation of the investment project, including the following content:</p> <p>a) Conditions, standards, and technical regulations relevant to the laws on construction, environmental protection, and firefighting and prevention.</p> <p>b) A preliminary assessment of the project’s compliance with the conditions, standards, and technical regulations specified in Point a of this clause.</p> <p>c) A commitment to comply with the conditions, standards, and technical regulations specified in Point a of this clause, to refrain from engaging in prohibited acts under the laws on construction, environmental protection, and firefighting and prevention, and to bear full responsibility in case of failure to fulfill the commitments as stated.</p>

		<p>right to use the location for implementing the investment project must be submitted.</p> <p>e) Explanation of the technology used in the investment project, for projects subject to technology appraisal or consultation as required by technology transfer laws.</p> <p>g) BCC contract, for investment projects implemented under the Business Cooperation Contract (BCC) form.</p> <p>h) Other documents related to the investment project, and requirements regarding the investor's conditions and capacity as stipulated by the law (if any).</p>	
2	Authority	National Assembly, Prime Minister, Provincial People's Committee	The Management Board of Industrial Parks, Export Processing Zones, High-Tech Zones, Economic Zones
3	Time	<p>National Assembly: N/A</p> <p>Prime Minister: N/A</p> <p>Provincial People's Committee: 35 days</p>	15 days
4			<p>Not required to carry out procedures for approving investment policies, technology appraisal, preparing environmental impact assessment reports, establishing detailed planning, obtaining construction permits, and other procedures for approval, acceptance, or permission in the fields of construction, fire prevention, and firefighting. <i>(Expected to shorten the project implementation time by approximately 260 days).</i></p>

Information Technology

Decree No. 23/2025/ND-CP issued by the Government dated February 21, 2025 on "Electronic Signatures and Trust Services"

This decree, which enters into effect on April 10, 2025, provides a detailed legal framework for electronic signatures and trust services, addressing legal gaps in the current Law on Electronic Transactions 2023. It specifies provisions regarding electronic signature certificates, public digital signatures, specialized secure electronic signatures, as well as business conditions and licensing procedures for trust services. The Ministry of Information and Communications ("**MIC**") and the National Electronic Authentication Center ("**NeAC**") play central roles in managing and overseeing the implementation. Key highlights are provided below.

Electronic Signature Certificates – The “ID Cards” of Electronic Signatures

Electronic signature certificates act as documents verifying the identity and public key of the signer. They are not signatures themselves but tools for authentication. The decree categorizes certificates into four types, with varying validity periods:

- **Root digital signature certificates:** Issued directly by the NeAC, these are valid for 25 years.
- **Digital signature certificates for trust service providers:** Used for timestamping, data message authentication, and public digital signature verification, these are valid for 5 to 10 years, depending on the type of services.
- **Public digital signature certificates:** Issued to subscribers (individuals/organizations), these are valid for a maximum of three years.
- **Specialized electronic signature certificates:** For secure specialized signatures, these are valid for 10 years.

Usage: Certificates are attached to electronic signatures when signing documents, allowing recipients to verify validity through software or systems provided by the NeAC or other certification authorities.

Specialized Secure Electronic Signatures – Internal Scope

Specialized secure electronic signatures are created by agencies or organizations that meet safety requirements under Article 22 of the Law on Electronic Transactions. These signatures are primarily used in:

- The internal operations of agencies/organizations.
- Transactions in specific sectors (e.g. healthcare, banking).
- External transactions within designated functions and duties.

Certification process: Agencies/organizations submit applications (requests, legal documents, authentication regulations) to the MIC. Applications are reviewed within 20 days, with certifications valid for up to 10 years. The issuing agency is responsible for the safety and legal compliance of the signature.

Example: A hospital uses a specialized signature to sign electronic medical records within its internal system, but not for public transactions.

Public Digital Signatures – Administrative and Business Transactions

Public digital signatures are widely used in public transactions (administrative and commercial) associated with public digital signature certificates issued by trust service providers. They serve as the primary tool for activities such as tax filing, e-invoice signing, and online contracting.

Obligations:

- **Signer:** Must verify the certificate status using compliant software before signing.
- **Recipient:** Must check the certificate validity and digital signature through certification authority or NeAC systems.

Example: A company uses a public digital signature to file electronic tax declarations, attaching the certificate for verification by tax authorities.

Conditions and Procedures for Trust Service Businesses

The decree imposes stringent requirements on organizations providing trust services (timestamping, data message authentication, public digital signature certification), as follows:

- **Financial:** The organization must deposit a minimum of VND10 billion or have liability insurance.
- **Personnel:** Staff must have university degrees and at least two years of experience in IT and information security.
- **Technical:** The organization must be in compliance with Level 3 safety standards, data storage, and backup systems (backup centers must be at least 20 km from the main center).

Licensing procedures:

- Applications (requests, legal documents, technical plans) are submitted to the MIC or through the public service portal.
- The MIC reviews the application within 20–30 days of its submission.

Suspension/revocation of licenses:

- **Suspension (of up to six months):** For violations such as incorrect license content, failure to meet conditions, or non-payment of system maintenance fees.
- **Revocation:** For cases of dissolution, bankruptcy, non-operation for one year, or serious violations (e.g. forged documents, unresolved issues after suspension).

Roles of the MIC and NeAC

- **MIC:** Manages applications, licensing, supervision, suspension/revocation of licenses, and issuance of technical standards.
- **NeAC:** Manages the national authentication infrastructure, issues/revokes certificates for trust service providers, and publishes information (certificate lists, status) on <https://rootca.gov.vn/>.