VIETNAM – NEWS AND REGULATIONS

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Dr. Oliver Massmann

International Attorney at Law  
Certified Financial Accountant and Auditor

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# BANKING & FINANCE

**Vietnam's public debt management rated positively by WB in latest assessment**

***VET***

**The World Bank's report lauded Vietnam's progress in improving the legal framework to better manage its public debt.**

Deputy Minister of Finance Tran Quoc Phuong (second from left) meets with experts from the World Bank on July 22. (Source: MoF)

Deputy Minister of Finance Tran Quoc Phuong met with experts from the World Bank (WB) in Hanoi on July 22 to discuss the 2024 Debt Management Performance Assessment (DeMPA) for Vietnam.

Since early 2024, the World Bank’s experts has been working closely with the Ministry of Finance (MoF) and relevant agencies to evaluate the country’s debt management practices, benchmarking them against international standards and identifying areas for improvement.

According to the WB’s report, the overall effectiveness of Vietnam’s debt management has been rated positively. The report highlighted significant progress in the legal framework since the enactment of the 2017 Law on Public Debt Management, alongside the issuance of internal procedures to support implementation.

The WB noted several strengths in Vietnam’s public debt management system. These include clearly defined authority, objectives, and borrowing purposes enshrined in legal documents specific to each area. Vietnam also benefits from strong coordination among relevant agencies, and its staff possesses sufficient capacity to manage public debt. The national debt management strategy is of high quality, and key debt data is published regularly.

Financial and compliance audits are conducted annually by the State Audit Office of Vietnam and reported to the National Assembly with public disclosure. There is also effective coordination between fiscal and monetary policies. The WB recognised Vietnam’s strong alignment with fiscal and monetary policies, along with structured borrowing and on-lending procedures. Cash flow forecasting and treasury management have improved significantly, and debt records—both domestic and external—are now maintained in a timely, accurate, and comprehensive manner.

Based on this assessment, Mr. Lars Jassen, the WB’s Senior Debt Management Specialist, proposed several areas for improvement, including more transparent reporting to the National Assembly, lack of specific risk indicators in the annual borrowing plan, and absence of audits for operations, fiscal risk reporting, and debt sustainability analysis (DSA).

Together with the WB expert team, Mr. Jassen also discussed recommendations aimed at further enhancing the effectiveness of public debt management. He emphasized the importance of diversifying funding sources and strengthening the performance of debt management institutions.

Deputy Minister Tran Quoc Phuong emphasized that public debt management is a critical component in Vietnam’s socio-economic development, especially in the current phase of growth.

To meet economic growth targets, Vietnam must accelerate its efforts to mobilize both domestic and foreign capital. At the same time, it is essential to optimize the use of these resources to ensure they deliver real and sustainable benefits.

“As Vietnam continues to develop, preferential borrowing terms will become less available, which will pose greater challenges in terms of resource mobilization. In this context, in-depth assessments and, more importantly, the recommendations provided by the World Bank are extremely valuable,” Deputy Minister Phuong stressed.

He expressed his hope that the WB’s expert team would continue to engage in deeper research and provide consultations at various levels, from technical and operational recommendations to strategic policy advice.

He also called for continued effective collaboration between the WB and the MoF, particularly with the Department of Debt management and External finance, as well as other relevant units, with the goal of enhancing Vietnam’s capacity in public debt management through mutual support and cooperation.

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**Vietnam determines to have stock market upgraded: Finance Minister**

***VET***

***Vietnam has rolled out many efforts to soon meet upgrading requirements.***

Minister of Finance Nguyen Van Thang (fifth, from left) holds a working sesison with FTSE Russell's Global Head of Equity and Multi Asset Gerald Toledano (fourth, from left) in Hanoi on July 17.

With Vietnam’s reform determination together with support from international organizations, its stock market will soon meet requirements for upgrading and becoming an attractive destination in the region,  Minister of Finance Nguyen Van Thang told Gerald Toledano, Global Head of Equity and Multi Asset of FTSE Russell, a member of the London Stock Exchange Group, during their working session in Hanoi on July 17.

Mr. Thang outlined Vietnam’s ongoing reforms, noting that the Ministry of Finance has directed the State Securities Commission of Vietnam (SSC) to engage regularly with international market rating agencies and investors to share updates on Vietnam’s stock market reforms and gather feedback.

The ministry is finalizing a draft decree amending the Government's Decree No. 155/2020/ND-CP to enhance transparency in foreign ownership limits and eliminate outdated rules, such as those allowing shareholder meetings to set maximum foreign ownership levels, he said.

Regarding administrative procedures relating to investment activities of foreign investors, the ministry has coordinated with the State Bank of Vietnam (SBV) to simplify procedures and cut processing time, according to the minister.

On the foreign exchange market, he said the ministry is working with the SBV to develop a legal framework for hedging instruments to address exchange rate risks.

Concerning the central counterparty (CCP) clearing mechanism, Vietnam has recently launched KRX system, laying technical groundwork for the launch of the CCP in early 2027.

For his part, Mr. Toledano affirmed that FTSE Russell stands ready to help Vietnam upgrade its capital market infrastructure to attract stronger inflows of foreign investment. It will also help the SBV develop indices that help investors better manage financial risks.

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# ECONOMY

**Việt Nam’s 2025 GDP growth forecast raised to 7 per cent, highest in ASEAN+3: AMRO**

*VNS*

The ASEAN+3 Macroeconomic Research Office (AMRO) has revised upward its 2025 growth forecast for Việt Nam’s economy to 7 per cent from the 6.5 per cent projected in April, according to its latest quarterly update released on Wednesday.

This makes Việt Nam the fastest-growing economy among the ASEAN+3 group, which includes the ten ASEAN countries along with China, Japan and South Korea.

Speaking at a press briefing the same day, AMRO Chief Economist Dong He explained that the revision reflects Việt Nam’s much stronger-than-expected performance in the first half of 2025.

Việt Nam’s GDP grew by 7.52 per cent in the first six months of the year, continuing the strong momentum seen in 2024, when the country recorded a growth rate of 7.09 per cent.

Despite ongoing global tariff tensions and subdued external demand, Việt Nam has maintained macro-economic stability and reaffirmed its position as one of Southeast Asia’s most dynamic and resilient economies.

However, Dong He warned that rising tariffs from the US could pose downside risks to the country’s outlook.

He noted that Việt Nam and Cambodia are among the most exposed to US tariffs, as the US remains the largest export market for both economies. While Cambodia’s exports are heavily focused on garments, footwear and travel goods, Việt Nam has a more diversified export portfolio. Still, shipments to the US account for around 30 per cent of Việt Nam’s total exports.

Given this high exposure, Dong He said Việt Nam could face spillover effects, where weaker external demand may affect domestic consumption and investment. Nonetheless, he highlighted that Việt Nam retains policy space to cushion any potential economic shocks.

“Looking beyond the short term, I believe it’s even more crucial for Việt Nam to deepen its integration with regional economies. This includes attracting more foreign direct investment (FDI) and upgrading its product structure,” he said.

He also pointed to the Government’s ongoing reform efforts – particularly those aimed at improving the investment climate and upgrading infrastructure – as key steps towards enhancing the country’s long-term growth potential.

For 2026, AMRO also revised Việt Nam’s growth forecast upward to 6.5 per cent, from 6.2 per cent previously. Inflation is projected to moderate to 3.4 per cent in 2025 and 3 per cent in 2026.

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| https://image.vietnamnews.vn/uploadvnnews/Article/2025/7/24/438995_5225913988211036_AMRO.jpg |
| The ASEAN+3 region's GDP growth forecast for 2025 and 2026. — Data from AMRO |

In contrast to Việt Nam’s upward trajectory, the broader ASEAN+3 region is expected to grow at a slower pace – 3.8 per cent in 2025 and 3.6 per cent in 2026 – due to rising external uncertainties and the continued impact of US protectionist measures. These figures are both down from AMRO’s April forecasts.

If tariffs continue to rise, AMRO warned that global trade flows could be significantly disrupted. Other downside risks include tighter financial conditions and volatile commodity prices, driven by geopolitical tensions.

For ASEAN, the region is forecast to expand by 4.4 per cent in 2025. China is expected to grow by 4.5 per cent, while Japan and South Korea are each projected to see growth of just 0.7 per cent.

He stressed that the diversity of the ASEAN+3 region in terms of development levels, resources and economic strengths remains a major asset.

“By working together, we can turn challenges into shared resilience, building stronger production networks and supply chains,” he said.

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**Việt Nam’s economy to stay resilient despite tariff headwinds: ADB**

*VNS*

Việt Nam’s economy is expected to remain resilient in 2025 and 2026, although growth may slow in the near term due to tariff pressures, according to Asian Development Outlook (ADO) July 2025, released by the Asian Development Bank (ADB) on Tuesday.

ADB said that Việt Nam’s strong export and import growth, along with a surge in foreign investment disbursement, drove economic performance in the first half of 2025.

Foreign direct investment pledges rose by 32.6 per cent, while disbursement increased by 8.1 per cent year-on-year, indicating strong international confidence in the country’s economic prospects.

Public investment disbursement reached its highest level since 2018, at 31.7 per cent of the annual plan and an increase of 19.8 per cent from the same period in the previous year. Front-loading of exports to cope with the tariff uncertainty drove trade performance, which is unlikely to be sustained over the second half of the year.

The trade deal with the US, announced in early July 2025, imposed gradually increasing US tariffs on exports from Việt Nam, which is expected to dampen export demand for the rest of 2025 and into 2026.

The PMI has signalled a slowdown in manufacturing since late 2024. Notwithstanding the heightened risks from tariff uncertainty, the domestic reforms, if effectively and swiftly implemented, can mitigate such risks with strengthened domestic factors.

The projected GDP growth has been revised down to 6.3 per cent in 2025 and 6.0 per cent in 2026. Inflation is forecast to decline to 3.9 per cent in 2025 and 3.8 per cent in 2026.

ADB has also lowered its growth forecasts for economies in developing Asia and the Pacific this year and next year. The downgrades are driven by expectations of reduced exports amid higher US tariffs and global trade uncertainty, as well as weaker domestic demand.

ADB forecasts the region’s economies will grow by 4.7 per cent this year, a 0.2 percentage point decline from the projection issued in April. The forecast for next year has been lowered to 4.6 from 4.7 per cent.

Prospects for developing Asia and the Pacific could be dented further by an escalation of US tariffs and trade tensions. Other risks include conflicts and geopolitical tensions that could disrupt global supply chains and raise energy prices, and a worse-than-expected deterioration in the property market of the People’s Republic of China (PRC).

“Asia and the Pacific has weathered an increasingly challenging external environment this year. But the economic outlook has weakened amid intensifying risks and global uncertainty,” said ADB Chief Economist Albert Park.

“Economies in the region should continue strengthening their fundamentals and promoting open trade and regional integration to support investment, employment and growth.”

Growth projections for the PRC, the region’s largest economy, are maintained at 4.7 per cent this year and 4.3 per cent next year. Policy stimulus for consumption and industrial activity is expected to offset continuing property market weakness and softening exports. India, the region’s second-largest economy, is forecast to grow by 6.5 per cent this year and 6.7 per cent next year, down 0.2 and 0.1 percentage points, respectively, from April projections, as trade uncertainty and higher US tariffs affect exports and investment.

Economies in Southeast Asia will likely be hardest hit by worsened trade conditions and uncertainty. ADB now predicts the subregion’s economies will grow 4.2 per cent this year and 4.3 per cent next year, down roughly half a percentage point from April forecasts for each year.

Bucking the downward trend are economies in Caucasus and Central Asia. The subregion’s growth projections have been raised by 0.1 percentage points for both this year and next to 5.5 and 5.1 per cent, respectively, largely reflecting an anticipated boost in oil production.

Inflation in developing Asia and the Pacific is projected to continue slowing, amid easing oil prices and strong farm output reducing food price pressures. ADB forecasts regional inflation of 2.0 per cent this year and 2.1 per cent next year, compared with its April projections of 2.3 and 2.2 per cent, respectively.

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# INVESTMENT

**Leading Swedish names increase Vietnamese focus**

*VIR*

Swedish companies are stepping up large-scale investment ventures in Vietnam with an increased focus on technology and innovation.

In early July, Swedish food processing and packaging giant Tetra Pak inaugurated the second phase of its packaging material production plant worth $78 million in Ho Chi Minh City, bringing the total investment to $253 million.

This significant milestone boosts the plant’s annual capacity from 12 billion to 30 billion packages, enabling faster delivery of innovative and sustainable aseptic carton solutions to food and beverage producers across Southeast Asia.

The expansion reflects Tetra Pak’s ongoing commitment to making food safe and available everywhere. By scaling up production, Tetra Pak is not only meeting growing regional demand, but also supporting its customers in achieving sustainable growth.

Adolfo Orive, president and CEO of Tetra Pak, said, “By expanding our capabilities, we are helping brands meet evolving consumer expectations with packaging solutions that are safe, functional, and sustainable. This strategic move strengthens our ability to offer greater speed, flexibility, and resilience – key drivers of success for our customers in today’s dynamic marketplace.”

In mid-June, Swedish textile recycling firm Syre was granted approval by the former province of Binh Dinh, now part of Gia Lai province, for its first gigascale textile-to-textile recycling plant, worth around $1 billion.

In a ceremony in Stockholm, the investment registration certificate was handed over to Syre, witnessed by Prime Minister Pham Minh Chinh and ministers from both the Vietnamese and the Swedish governments.

Emma Stjernlöf, chief communication and people officer of Syre, told VIR, “Vietnam was shortlisted due to its strategic positioning within the textile supply chain with a long history of a vibrant textile industry and access to know-how, as well as great ambition in green transition and circular economy.”

The key criteria for establishment include access to green energy and access to feedstock (recyclable textile material) as well as a pilot mechanism with a licence to import recyclable textile material from surrounding countries. Both sides now work together to meet these criteria, including an industrial park and securing the import licence, in order to serve the recycling plant. The partnership will, with these conditions in place, be a great opportunity to jointly lead the textile shift needed.

In mid-March, Swedish fintech company Vilja, which specialises in cloud-native composable core banking solutions, also unveiled its expansion into Vietnam through a number of domestic and regional partnerships.

“We are committed to a long-term partnership with our Swedish and Vietnamese partners and government agencies in our joint mission to modernise and future-proof Vietnam’s banking industry with secure, compliant, and configurable cloud adoption,” said Fredrik Ulvenholm, CEO of Vilja.

Meanwhile, Swedish automotive safety supplier Autoliv is building a new airbag cushion plant in the northeastern province of Quang Ninh. Located in Amata City Halong Industrial Park, the new facility will produce airbag cushions and fabric to meet growing demand in Asia. Spanning 90,000 sq.m, the venture is set to create up to 2,000 jobs in the locality, further strengthening Vietnam’s role as a key player in global manufacturing.

According to the report by the Foreign Investment Agency under the Ministry of Finance, in the first half of 2025, Sweden made a surprising leap to third place in the foreign direct investment ranking, with total investment of $1 billion, accounting for 10.8 per cent of total newly registered capital – trailing only Singapore and China. As of late June, Sweden ranked 23rd among 151 countries and territories investing in Vietnam, with 111 active projects totalling $1.76 billion.

It is clear that Swedish companies are leading the European investment wave in Vietnam in the first half of the year. The European Chamber of Commerce in Vietnam’s (EuroCham) Q2 2025 Business Confidence Index report also revealed that European businesses maintain confidence in Vietnam’s long-term growth trajectory. Some 72 per cent of respondents are likely to recommend Vietnam as an investment destination, up by 4 percentage points from the previous quarter, showing solid long-term confidence.

Marcus Persson, country manager at Vietnam Business Sweden, said, “Swedish companies have shown growing interest in Vietnam’s dynamic market, with recent investments including Trelleborg Sealing Solutions’ new facility in Dong Nai, Hestra Gloves’ $9 million project in northern Haiphong, and Autoliv’s advanced airbag manufacturing plant in Quang Ninh. Swedish firms such as ABB, Assa Abloy, and Polarium continue to maintain a strong presence in Vietnam.”

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**Multinationals signal strong intentions**

*VIR*

The commitments of numerous corporations to expand their investments in Vietnam are the fruitful results of the government’s efforts to broaden investment opportunities while actively supporting investors.

Swire Coca-Cola last week inaugurated its manufacturing plant in the southeast province of Tay Ninh.With a total investment of $136 million and a production capacity of one billion litres of beverages per year, this is not only Coca-Cola’s largest facility in Vietnam but also the first food and beverage plant in the country to achieve LEED Gold certification for green building standards.

“Beyond investing in infrastructure, this plant reflects our dedication to sustainable development and our aspiration to make meaningful contributions to the communities we call home across Vietnam,” said Milly Cheng, general director of Coca-Cola Vietnam.

According to Cheng, the inauguration of the Tay Ninh plant marks a significant milestone in Coca-Cola’s journey in Vietnam.

“This state-of-the-art facility, blending innovation and sustainability, demonstrates our strong belief in Vietnam’s immense growth potential and our long-term investment commitment here,” she added.

Coca-Cola is not the only one with confidence in Vietnam’s market potential. Lego Group from Denmark inaugurated its $1.3 billion factory in Binh Duong (now part of Ho Chi Minh City) in early April, while Syre Group from Sweden recently invested $1 billion in a project in Binh Dinh, now incorporated into Gia Lai province.

Likewise, in early June, Jeffrey Perlman, CEO of Warburg Pincus, met with Minister of Industry and Trade Nguyen Hong Dien and reaffirmed his firm’s long-term investment commitment to Vietnam while advocating for stronger Vietnam-US bilateral economic and trade relations.

Such commitments from numerous investors explain why Vietnam’s foreign direct investment (FDI) inflows remain robust. In the first six months of the year, registered FDI reached nearly $21.52 billion, a 32.6 per cent increase compared to the same period last year - the highest since 2009. Disbursed FDI amounted to $11.72 billion, the highest for the first half of any year in the past five years.

“These figures as evidence of Vietnam’s success in attracting foreign investment,” said Deputy Minister of Finance Nguyen Duc Tam at the Coca-Cola plant inauguration. “While concerns about tax policies are real and may cause some foreign investors to be cautious in disbursing funds, particularly for large-scale, long-term projects, Vietnam retains significant advantages in the global race to attract FDI. These include a favourable investment and business environment and, most importantly, the Vietnamese government’s commitment to supporting investors.”

In addition, at Techcombank’s International Investment Conference 2025, Deputy Prime Minister Ho Duc Phoc stated, “The government is committed to accompanying both domestic and foreign investors. We call on investors to actively invest in Vietnam, particularly in high-tech, energy, processing, services, and financial investment sectors.”

To sustain the momentum in attracting major foreign investors, the Ministry of Finance is proactively implementing several solutions within its authority. These include developing tailored policies to promote high-potential economic zones such as Van Don and Van Phong, free trade zones, border economic zones, and regions outlined in various resolutions.

Additionally, the ministry is urgently establishing national and provincial investment one-stop portals to streamline processes. It is also promptly addressing obstacles and recommendations for major foreign-led projects to expedite investment procedures and project progress.

In a significant move to create breakthroughs in attracting FDI, the National Assembly has passed a resolution on establishment of international financial centres in Vietnam, effective from September 1 (see Page 9).

“To implement this, the MoF must issue decrees on the hubs and on capital-related matters. The Foreign Investment Agency (FIA) is requested to promptly prepare and report,” said Deputy Minister of Finance Nguyen Thi Bich Ngoc.

The FIA is likely to establish dedicated task forces to directly negotiate and support major corporations such as Nvidia and SK in investing in Vietnam, Ngoc added.

“It should proactively approach and invite potential investors in key sectors like high-tech, IT, and high-quality services, Deputy Minister Ngoc said. “Efforts should also focus on creating a cohesive and robust system of preferential policies to prioritise investments in high-tech fields such as AI, smart supply chains, renewable energy, and green technology.

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# PROPERTY

**No new apartment under $1,500 per sqm in HCMC for 2nd year in a row**

*VE*

For a second year in a row no apartment project priced at under VND40 million (US$1,500) per square meter was launched in HCMC in the year’s first half.

Vietnam’s biggest city saw four new projects with 3,353 apartments, all high-priced, according to the Ho Chi Minh City Real Estate Association (HoREA).

The latter represented a 15% drop year-on-year. The mid-range and affordable segments are priced at VND40 million or less.

Primary market prices increased by 4-6% at new launches and 2-4% at projects inaugurated earlier and offering new units during the quarter, property consultancy Avison Young Vietnam said in a report.

New launches in the second quarter have apartments costing VND55 million or more. This supply imbalance was seen nationwide.

The Vietnam Association of Realtors reported 36,000 new apartments were launched in the first half of 2025, double last year’s figure. Of them, more than 62% were priced at above VND80 million per square meter.

Luxury apartment numbers jumped, while mid-priced units accounted for just 30% (9,000 units), and were mostly outside HCMC and Hanoi.

In HCMC, the average price was VND77 million per square meter. Pham Thi Mien, deputy director of the Vietnam Real Estate Research Institute, said the supply remains skewed toward the luxury and high-end segments.

Affordable supply is mainly at social housing projects, which added some 3,000 units.

HoREAchairman Le Hoang Chau said: "2025 will continue to be dominated by the luxury segment in HCMC’s housing market."

The absence of mid-range and affordable products distorts the market structure, he warned. "The limited supply of commercial housing has driven prices upward."

HCMC apartment prices have occasionally seen an annual increase of 15-20% in the last few years. Mien said the affordable segment is less appealing to developers due to its profit margins of only 15%.

Besides, there is high demand for luxury housing, encouraging developers to focus on the segment, she said.

Scarce urban land and rising costs of land, construction and labor further drive developers toward high-profit projects, she pointed out.

There are no strong factors that could drive down housing prices in the short term, while there are several to push them upward including the new land price framework, she said.

Most supply in 2025 would again be in the luxury and high-end segments, potentially driving prices up by 8-10% annually.

Concurring, Chau predicted continued price rises due to the new land price framework and investors’ expectations of profits. "Most developers have little financial pressure, reducing their incentive to lower prices."

Low interest rates, cheap capital and accelerated public investment fuel expectations of further price hikes, while affordable supply remains scarce, he added.

A recent report by the HCMC Department of Construction forecast a continued but slow market recovery in 2025, with no major breakthroughs.

[Housing prices](https://e.vnexpress.net/news/business/property/feel-good-factors-send-southern-apartment-sales-soaring-4914131.html) could rise slightly in some segments due to the new land price framework, it said. Apartments remain the most promising segment due to limited new supply and sustained demand for housing space for living, it said.

Supply is expected to improve gradually in the coming years, it added.

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## Merger sets stage for south property boom

*VIR*

The integration of former Binh Duong and Ba Ria–Vung Tau provinces into Ho Chi Minh City, paired with sweeping regional planning initiatives, is anticipated to open a new chapter of growth in the real estate sector, with large-scale urban projects drawing widespread investor interest.

Starting July 1, Ho Chi Minh City officially transitioned to a two-tier government model, integrating its development space with neighbouring Binh Duong and Ba Ria–Vung Tau.

This marks a historic milestone, paving the way for a regional mega-city with an economic scale exceeding VND 2.7 quadrillion (approx. $110 billion), equivalent to nearly one-quarter of Vietnam’s GDP.

Amid this transformation, the real estate market, particularly in the northeastern corridor of Ho Chi Minh City, is seeing strong momentum. The apartment segment, in particular, is emerging as a magnet for investors, contributing to a more modern and liveable urban landscape, according to Dr. Can Van Luc, a member of the Prime Minister’s Economic Advisory Council.

Speaking at a July 12 seminar on the topic, Luc said that Ho Chi Minh City now holds rare advantages and opportunities to become a modern, regional and international mega-city.

“The city boasts the largest population and land area in the country, accounting for about 2 per cent of Vietnam’s territory and 13.5 per cent of its population. It is positioned as the nation’s leading economic, financial, industrial, and technological hub,” Luc said.

Simultaneously, the city is making major investments in multimodal and modern infrastructure. A range of key projects, including metro lines, Bus Rapid Transit systems, expressways, and high-speed rail, are taking shape, forming a comprehensive and highly connected transportation network at local, regional, and international levels.

In addition to transport infrastructure, Ho Chi Minh City is also accelerating the development of new urban areas aimed at supporting a multi-centered urban model.

“With its combined strengths in scale, policy direction, economic capacity, infrastructure, and technology, Ho Chi Minh City is on the cusp of a powerful breakthrough, well-positioned to become a premier mega-city and the dynamic growth engine of the nation,” Luc stated.

Poised for growth leap

According to Nguyen Van Dinh, vice chairman of the Vietnam Association of Realtors, the merger is expected to catalyse a new growth phase in the real estate market, marked by the emergence of large-scale, high-quality projects.

“The product structure is also set to diversify and adapt to a reshaped and growing market. This transition is seen as a window of opportunity for both domestic and foreign investors,” Dinh said.

Currently, Ho Chi Minh City’s population has surpassed 14 million. Post-merger, the regional economy is expected to contribute roughly one-third of state budget revenue and over one-fifth of Vietnam’s total import-export turnover.

“These impressive figures not only underscore the city’s role as an economic locomotive but also provide a psychological boost for market confidence,” Dinh said.

However, the benefits of the merger will not be evenly distributed. Only areas with solid foundations in infrastructure, economic activity, and population attraction will see a meaningful impact. The northeastern region of the city stands out as a key beneficiary.

As regional restructuring and master planning expand, northeast Ho Chi Minh City is undergoing visible transformation. The industrial real estate segment is being restructured to meet modern standards, thereby attracting foreign investment and forming clusters of skilled labour, professionals, and engineers. This is driving demand for high-quality housing.

“However, good infrastructure alone doesn’t guarantee successful real estate investments,” Dinh added. “In a market entering a phase of significant filtering, selecting the right project is essential not only for capital safety but also for long-term profitability.”

With abundant land reserves, the area is expected to host master-planned residential projects with transparent legal frameworks, green features, smart technologies, and premium amenities. According to Dinh, the apartment segment is poised to lead the market in the near future, particularly mid- to high-end apartments catering to affluent residents in emerging financial and high-tech hubs.

Southbound migration

The merger comes at a time when the northern real estate market has passed its peak growth phase and is showing signs of saturation in investor appetite.

This has triggered a noticeable southward shift among major real estate brokerages and investors from northern Vietnam. Many are eyeing large-scale apartment projects with integrated infrastructure and planning, especially in the city’s northeastern region.

This southbound trend not only affirms Ho Chi Minh City’s economic leadership but also reflects the growing appeal of real estate projects priced according to intrinsic value. Many investors have already positioned themselves to ride the next market wave, recognising the long-term potential of the northeast Ho Chi Minh City market.

According to data from batdongsan.com.vn, as of March, up to 66 per cent of Hanoi residents surveyed expressed interest in the southern real estate market.

Outlying areas and satellite markets of Ho Chi Minh City, such as the former provinces of Binh Duong, Long An, Dong Nai, and Ba Ria-Vung Tau, are drawing increasing attention from Hanoi-based property seekers.

Among the segments most favoured by Hanoians in their southbound investment trend, apartments lead with 75 per cent of respondents expressing interest, followed by townhouses/shophouses and land plots (both at 53 per cent), standalone houses (39 per cent), villas (29 per cent), and resort properties (28 per cent).

According to Dinh Minh Tuan, southern director of batdongsan.com.vn, key drivers behind this shift among northern investors include the high growth potential of southern markets, relatively reasonable pricing, the availability of new high-quality developments.

“Moreover, the fact is that real estate prices in Hanoi and surrounding areas have risen to unsustainably high levels and become unaffordable for end-users and reduce the profit for speculators,” Tuan said.

Bui Van Doanh, director of the Vietnam Real Estate Research Institute, also pointed out the key difference between Ho Chi Minh and Hanoi, was the rate.

“Hanoi’s real estate prices have soared in recent years, reaching very high levels, up to VND200 million ($7,600) per sq.m. In contrast, prices in northeastern Ho Chi Minh City, including former Binh Duong, remain in the VND50 million ($1,900) range, making them highly reasonable under current conditions,” Doanh cited.

“This price gap leads to a second critical difference: liquidity. Lower prices mean easier access, greater affordability, and faster sales turnover, making the market more liquid and dynamic,” he added.

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| *Dung Duong, executive director CBRE Vietnam*  *The Ho Chi Minh City residential market continues to see limited new supply and continuously rising prices. This trend is increasingly pushing project development towards alternative markets like Binh Duong, Long An, and Dong Nai.*  *While this isn’t a new phenomenon, it has become particularly evident in the first half. During this period, new condominium supply in Binh Duong (nearly 8,300 new launched units) was almost six times higher than in Ho Chi Minh City. Similarly, new landed property supply in Long An (nearly 4,400 new launched units) was an astounding 33 times greater than Ho Chi Minh City’s new supply for the same period.*  *These new projects, typically situated 30km from the city centre, include prominent large-scale developments designed as multi-functional urban areas, which is set to encourage population decentralisation to the suburbs when urban amenities and connecting infrastructure are completed and operational.*  *The number of new residential products in Ho Chi Minh City will stay constrained, with an estimated 6,000 condos and 800 landed property units expected. In contrast, provinces like Binh Duong, Long An, and Dong Nai are set to rise, making up almost 70 per cent of the new residential supply for the greater Ho Chi Minh City area.* |

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**OIL&GAS&**[**ENERGY**](http://tuoitrenews.vn/society)**&MINING**

# PM fast-tracks resolutions for stalled renewable projects

*VNS*

Under the dispatch, the Prime Minister ordered that each authority must settle issues within its jurisdiction, and hold accountable for the accuracy and timeliness of its report.

The Government has issued an official dispatch, expediting the removal of long-standing obstacles that have affected renewable energy projects nationwide, with officials asked to report to the Prime Minister by July 25.

The Government acknowledged that while its Resolution No. 233/NQ has made tangible progress in handling hurdles plaguing the projects, significant challenges remain unresolved as several localities, ministries, sectors and agencies have not fully exercise their responsibilities.

Under the dispatch, the Prime Minister ordered that each authority must settle issues within its jurisdiction, and hold accountable for the accuracy and timeliness of its report.

In Lâm Đồng Province, local authorities must handle overlapping zoning conflicts between renewable energy sites and mineral reserves for titanium and bauxite.

Đắk Lắk Province must address complications surrounding the Long Thành 1 solar power project, which overlaps with the Ia Mor reservoir irrigation planning zone.

Meanwhile, chairpersons of the People’s Committee of Đồng Nai, Lâm Đồng, Khánh Hòa, HCM City, and Đắk Lắk are tasked with clearing legal obstacles related to land use for 40 renewable projects, including land leasing, land-use conversion, and land-use expansion.

Đồng Nai, Vĩnh Long, Đồng Tháp, Cần Thơ City, Phú Thọ, HCM City, Khánh Hòa, Lâm Đồng, and Đắk Lắk must classify lands for rooftop solar systems operating under large-scale agro-solar farm models.

The CEO of the Vietnam Electricity is responsible for tackling power purchase price agreements for rooftop solar systems built on agricultural and forestry land. Regarding feed-in tariff (FIT) pricing difficulties for wind and solar projects, the Ministry of Industry and Trade and Vietnam Electricity must review and propose clear solutions, which should be submitted to the Prime Minister following consultation with relevant ministries and agencies.

The Ministry of Agriculture and Environment, in coordination with the Ministry of Industry and Trade and localities, must review and resolve zoning overlaps involving mineral reserves, irrigation planning, forest and agricultural land-use conversions. It must report unresolved matters to the Prime Minister for further guidance.

The Ministry of Industry and Trade is assigned to provide regular progress reports on implementation results. The Government’s Office is in charge of tracking and urging competent localities, ministries, and sectors in executing tasks assigned in the dispatch.

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**Sungrow strengthens regional commitment at 2025 Southeast Asia Distribution Summit**

*Vietname energy*

Sungrow successfully concluded its 2025 Southeast Asia Distribution Summit, held from July 17 to 19 in Phu Quoc Island, Vietnam. The summit brought together over 100 distribution partners, service providers, industry experts, and media representatives from across the region to strengthen collaboration and explore the evolving renewable energy landscape in Southeast Asia.

Over the three-day summit, Sungrow reaffirmed its "Robust Power Robust Future" theme and long-term commitment to Southeast Asia through full coverage product portfolio, tailored strategies, localized services, and deepened distributor engagement. Attendees participated in a series of closed-door meetings, interactive workshops, and market outlook sessions—focusing on regional opportunities, policy updates, and collaborative growth models.

**Powering Homes: Launch of the New Residential ESS Series: MG5/6/8/10RL & MGL060**

At the summit, Sungrow officially launched its MG5/6/8/10RL Residential ESS series. As the region experiences rapid urbanization and rising energy costs, there is a clear shift toward residential solar-plus-storage solutions that offer greater independence, reliability, and efficiency. Featuring the upgraded MG Series inverters and battery, Sungrow’s all-new solution covers power ranges from 5 kW to 10 kW per each unit. With industry-leading features like full-power operation at 45 °C, active PID recovery, and seamless backup power switching within 4ms, this new solution ensures households stay powered even in extreme climates or unstable grid conditions, designed to meet the rising demand for household energy independence across the region. Learn more: [Sungrow Unveils Next-Generation Residential ESS Designed for Reliable Backup Power | SUNGROW](https://en.sungrowpower.com/newsDetail/6609/sungrow-unveils-next-generation-residential-ess-designed-for-reliable-backup-power)

**Powering Integrated C&I PV Solution: C&I Inverter + SR20D-M Rapid Shutdown Device/SP1400D Optimizer**

To meet evolving safety standards and overcome the practical challenges of commercial and industrial (C&I) rooftop installations, Sungrow offers an integrated solution that combines its C&I inverter with the SR20D-M Rapid Shutdown Device and the SP1400D Optimizer. The SR20D-M/SP1400D complies with UL1741/3741 standards, enhancing safety for personnel and property. The advanced Rapid Shutdown technology can reduce the high DC string voltage lower than 30V within 20s. Backed by a 25-year warranty, the SR20D-M/SP1400D is built for durability and seamless integration with Sungrow inverters. The patented FHC technology reduces bypass temperature of the equipment, ensuring long-term reliable operation. Supporting a maximum PLC communication distance of up to 450m, it enables full roof coverage without additional equipment. Patented Snap Fit Installation Design Save 45% installation and maintenance time. Learn more: [Sungrow's Advanced SR20D-M PV Rapid Shutdown Solution Powers Philippines' First MW-Level Project, Enhancing Safety and Sustainability at Major Logistics Park | SUNGROW](https://en.sungrowpower.com/newsDetail/5962/sungrow-s-advanced-sr20d-m-pv-rapid-shutdown-solution-powers-philippines-first-mw-level-project-enhancing-safety-and-sustainability-at-major-logistics-park)

Sungrow is already making an impact in the region, with its largest rapid shutdown deployment in the Philippines. The company’s RSD technology is also integrated into multi-megawatt projects across Thailand and Malaysia. This integrated “one-stop solution”—one brand, one platform, one control system—empowers C&I users with a safer, smarter, and more efficient energy generation system.

**Powering C&I ESS Solution: PowerStack 255CS-- 125kW/257kWh C&I Liquid Cooled ESS**

Expanding its commercial energy storage portfolio, Sungrow showcased the PowerStack 255CS, a liquid-cooled C&I energy storage system tailored for long-duration applications. Equipped with 314Ah battery cells, the PowerStack 255CS delivers a 257kWh capacity (2-hour system) or 514kWh capacity (4-hour system) for a single container. Following Sungrow’s renowned AC Block product design, the system ensures a round-trip efficiency (RTE) up to 90% and a product design lifetime of up to 20 years. The PowerStack 255CS also meets top-tier global safety certifications, including UL9540 and NFPA855/69/68/14, ensuring the highest standards of protection. Additionally, pre-installed and pre-commissioned components enable rapid grid connection, enhancing overall efficiency. Learn more: [Sungrow Launches PowerStack 255CS: A Next-Gen C&I Energy Storage System Redefining Efficiency, Safety, and Convenience | SUNGROW](https://en.sungrowpower.com/newsDetail/6334/sungrow-launches-powerstack-255cs-a-next-gen-c-amp-i-energy-storage-system-redefining-efficiency-safety-and-convenience)

Sungrow’s C&I energy storage products have been deployed in over 1,000 projects worldwide, serving a wide range of industries including metallurgy, automotive, and textiles. These solutions are widely adopted across Europe—in countries such as Spain, the Benelux region, and Italy—as well as in other regions including Australia, Japan, the Middle East, and South Africa.

**Regional Commitment and Vision**

“Currently, we have established a comprehensive business layout, covering utility, C&I, and residential scenarios. This has laid a solid foundation for our long-term investment and development. Backed by our powerful R&D team of 7,000 professionals at headquarters, we will continue to innovate in products and technologies, offering our partners the most comprehensive and competitive product solutions,” said Mr. James Wu, Senior Vice President of Sungrow. “Together, we are building a resilient, inclusive energy ecosystem that brings clean power to more regional communities.”

During the summit, Sungrow reaffirmed its “Customer First” brand value and its “One Brand, One Solution” approach — providing fully integrated systems that streamline installation, enhance performance, and strengthen system reliability. After being deeply rooted in SEA for 15 years, Sungrow will continue to expand its local presence to provide faster service response, customized support, and sustainable growth for its partners.

**Dynamic Insights from the Expert Panel at the 2025 Southeast Asia Distribution Summit**

As part of the launch event for Sungrow’s next-generation residential energy storage system, industry leaders, partners, and experts gathered for an engaging panel discussion. The session spotlighted key trends in household energy independence, market opportunities across Southeast Asia, and breakthrough innovations -such as seamless 4ms backup switching and full-power operation at 45°C. A truly inspiring exchange shaping the future of smart, resilient energy in the region!

**About Sungrow**

Sungrow, a global leader in renewable energy technology, has pioneered sustainable power solutions for over 28 years. As of December 2024, Sungrow has installed 740 GW of power electronic converters worldwide. The Company is recognized as the world's most bankable PV inverter and energy storage company (BloombergNEF). Its innovations power clean energy projects across the globe, supported by a network of 520 service outlets guaranteeing excellent customer experience. At Sungrow, we're committed to bridging to a sustainable future through cutting-edge technology and unparalleled service. For more information, please visit: [www.sungrowpower.](http://www.sungrowpower.com/)com./.

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**LEGAL**

## Criteria for green investment projects introduced

*VLLF*

**Deputy Prime Minister Tran Hong Ha on July 4 signed Decision 21/2025/QD-TTg, officially introducing criteria for investment projects to be certified as part of the green taxonomy.**

**Environmental criteria for green investment projects**

According to Decision 21/2025/QD-TTg dated July 4, which provides environmental criteria and certification of investment projects under the green taxonomy, an investment project must meet two criteria to be certified as “green”.

First, the project must obtain a decision on approval of results of the appraisal of the environmental impact assessment report, an environmental license, or an environmental registration certificate as prescribed in the law on environmental protection, except investment projects that are exempt from environmental procedures in accordance with law.

Second, the project must be in the field of environmental protection or bring about environmental benefits and meet the requirements specified in Appendix I to Decision 21.

The decision defines the entities that are competent to certify investment projects under the green taxonomy. They include state agencies competent to appraise, or approve the results of appraisal of, environmental impact assessment reports or grant environmental licenses for investment projects in accordance with the law on environmental protection.

It goes on to say that an independent certification body must have the legal person status as prescribed by law; and make business registration in Vietnam or be established under a competent state agency’s decision.

In addition, such a certification body must be that engaged in commercially providing conformity assessment services or having the conformity assessment function; or commercially providing auditing services.

It must also have a management system and operational capacity that aligns with relevant national or international standards on conformity assessment and assurance engagements, or revised or replaced standards issued by Vietnamese authorities in accordance with law.

**Certification of investment projects to be green**

Decision 21 specifies forms of certification of investment projects under the green taxonomy, following the request of project owners or issuers of green bonds.

Regarding certification by competent state agencies, project owners will request the competent state agencies to certify that their investment projects belong to the green taxonomy concurrently with the settlement of administrative procedures for appraising, or approving the results of appraisal of, environmental impact assessment reports or granting environmental licenses.

The competent state agencies in charge of appraising environmental impact assessment reports or granting environmental licenses will evaluate and certify the investment projects’ satisfaction of the criteria for inclusion in the green taxonomy during the appraisal of environmental impact assessment reports or when considering the grant of environmental licenses. The certification results must be stated in the decisions on approval of the environmental impact assessment report appraisal results or environmental licenses.

With respect to certification by independent certification bodies, project owners and green bond issuers will submit applications to independent certification bodies for certification of their investment projects to be green.

Independent certification bodies will examine the applications, ensuring independence and objectivity in conformity with their standards. The time limit and fees for the certification will be agreed upon between the independent certification bodies and the project owners in accordance with relevant laws.

Independent certification bodies will bear responsibility before law, and before agencies and organizations in charge of implementing the State’s incentive and support policies for green credit and green bonds, as well as other stakeholders for the certification results.

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**Family deduction rate in personal income tax payment proposed to increase**

*VET*

**The proposal is part of a draft resolution of the National Assembly Standing Committee on consensus on revising the family circumstance-based deduction policy under the Personal Income Tax Law.**

The Ministry of Finance has proposed that the deduction level in personal income tax payment is VND13.3-15.5 million per month and the deduction level for each dependent is VND5.3-6.2 million/month in 2026.

According to the current personal income tax policy which has been applied since July 1, 2020, under Resolution 954/2020/UBTVQH14, taxpayers have been entitled to a deduction of VND11 million per month for themselves and VND 4.4 million per month for each dependent, regardless of their place of residence.

The proposal is part of a draft resolution of the National Assembly Standing Committee on consensus on revising the family circumstance-based deduction policy under the Personal Income Tax Law.

The ministry attributed the CPI hike of around 21.24 percent in the 2020-2025 period, surpassing the 20 per cent benchmark for adjustment.

Personal income tax includes taxes from employees and individual business households. It is one of the three key pillars of the state budget, alongside corporate income tax and value-added tax (VAT).

The Ministry of Finance also suggested the number of tax brackets should be reduced from 7 to 5 for residents while making amendments to the Personal Income Tax Law.

The move aims to make the tax system more stable, increase its flexibility, encourage income growth, and prevent the unreasonable situation where middle-income workers still face high tax rates.

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