VIETNAM – NEWS AND REGULATIONS

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# TOP NEWS

# CAIJING MAGAZINE INTERVIEWED DR OLIVER MASSMANN – VIETNAM – IMPACT OF TRUMPS TARIFFS – WHAT YOU MUST KNOW

*Dr. Oliver Massmann, Duane Morris Vietnam LLC*

1. **How will Trump’s tariffs affect Vietnam’s export performance? Compared with the 46% tariff rate announced in April, would you consider 20% a favourable outcome from Vietnam’s perspective?**

**DMVN**: While the imposition of 20% tariff will undoubtedly present challenges, Vietnam’s export performance is expected to remain strong due to its strategic approach and unmatched international integration. The new 20% tariff on Vietnamese exports to the US is certainly a more favorable outcome compared to the initially proposed 46%.

This reduction is a testament to the Vietnamese Government’s proactive and skillful negotiations. Furthermore, the tariffs also apply to a wide range of other countries, which could help level the playing field. To mitigate the negative effects, Vietnamese businesses are already diversifying their export markets, leveraging free trade agreements with the European Union (EVFTA) and other partners.

1. **How might Trump’s tariff policies affect FDI flows into Vietnam, particularly in light of the 40% tariffs on transshipment? Compared with other ASEAN countries, what are Vietnam’s unique strengths?**

**DMVN**: The 40% tariff on transshipment is a significant measure aimed at preventing the rerouting of goods. However, Vietnam is well-positioned to handle this challenge. This policy may actually incentivize legitimate companies to invest in manufacturing with a higher local content, rather than simply using Vietnam as a transit point. This could lead to a **higher quality of FDI** in the long term.

Compared to other ASEAN countries, Vietnam’s unique strengths are numerous:

* **Political Stability with the private sector at the heart of its development:**Vietnam’s stable government and commitment to a pro-business environment, thanks to Resolution 68 issued recently, provide a secure foundation for long-term investment.
* **Strategic Location:**Its proximity and land border with China make it a natural hub for manufacturing and supply chain diversification.
* **Strong Workforce:**Vietnam has a large, young, and increasingly skilled labor force with competitive wages.

**Unmatched international integration:** The country has a robust network of free trade agreements, including the CPTPP and EVFTA, which opens up access to many international markets.

1. **How about Chinese investment? Do you anticipate an increase of Chinese investment?**

**DMVN**: I do anticipate an increase in Chinese investment, as the country continues to be a key player in the regional supply chain. Chinese companies are increasingly investing in manufacturing facilities in Vietnam to produce goods that can be exported without being subject to US tariffs on Chinese-made products. While this trend has been ongoing, the new US tariffs on transshipment will likely encourage a greater focus on investments that involve substantial manufacturing and local value-add within Vietnam. This will ultimately benefit the Vietnamese economy by creating jobs and strengthening our manufacturing base.

1. **In recent years, have you observed any trends or shifts in foreign investment into Vietnam—either in terms of sectors, source countries or investment strategies?**

**DMVN**: In recent years, we have observed several key trends and shifts in foreign investment into Vietnam. First of all, there is a clear trend towards investment in high-tech manufacturing, particularly in semiconductors, electronics, and advanced components, as well as renewable energy, where I have seen billions of dollars being committed to be invested in Vietnam. This aligns with Vietnam’s policy to attract higher-value and high-quality investment. Also, while traditional investors from Singapore, South Korea, and Japan remain strong, there is a growing interest from other nations and regions seeking to diversify their supply chains. Notably, foreign investors, especially Chinese investors, are increasingly targeting the development of industrial parks, warehouses, and logistics networks, recognizing the need to support the country’s growing manufacturing and export capabilities.

Please do not hesitate to contact Dr. Oliver Massmann under [omassmann@duanemorris.com](mailto:omassmann@duanemorris.com) if you have any questions on the above. Dr. Oliver Massmann is the General Director of Duane Morris Vietnam LLC.

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# BANKING & FINANCE

**Portal in support of taxpayers launched**

*VNE*

**The portal is to ensure that all taxpayers have easy, fast, accurate, and comprehensive access to tax-related information.**

The Taxation Department under the Ministry of Finance officially launched its portal to support individuals, household businesses, and enterprises, according to a report from the Vietnam News Agency.

This marks a significant step by the department in accompanying the business community towards sustainable development and helping prevent errors in fulfilling tax obligations, especially in the context of a rapidly evolving digital economy and increasingly diverse business models, where the activities of individuals and household businesses are no longer confined to traditional formats such as stores or fixed locations.

The debut of the portal is to ensure that all taxpayers have easy, fast, accurate, and comprehensive access to tax-related information.

It also helps individuals, household businesses, and enterprises clearly understand the State’s tax regulations, while also supporting and guiding them in fulfilling their tax obligations correctly and properly, thereby contributing to maintaining transparency and accuracy in tax collection.

Notably, the portal integrates an AI-powered business assistant chatbot, which helps taxpayers access useful knowledge and enhance their sales effectiveness.

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**3.8 mln asset threshold set for domestic banks in International Financial Center**

*VNE*

***To establish a commercial bank in the IFC, a wholly domestically-owned bank must have minimum total assets of VND100 trillion ($3.8 billion); a wholly foreign-owned bank must have at least VND10 billion (over $380,000) in assets, while a foreign bank branch's parent must possess minimum total assets of VND20 billion (nearly $760,500).***

The State Bank of Vietnam (SBV) has announced a draft decree that specifies regulations for the licensing, establishment, and operation of banks, as well as rules on foreign exchange management, anti-money laundering, counter-terrorist financing, and countering the financing of the proliferation of weapons of mass destruction within Vietnam's future International Financial Center (IFC).

Articles 21, 22, and 23 of the draft decree detail the specific conditions for licensing wholly domestically-owned commercial banks, wholly foreign-owned banks, and the branches of foreign banks within the IFC.

Accordingly, all commercial banks established in the IFC must have a minimum charter capital equivalent to the legal capital level. Charter capital is the amount contributed by shareholders or owners, recorded in a bank's charter, reflecting its actual financial capacity at its founding. Legal capital is the minimum capital level required by law for that type of credit institution.

The SBV has proposed that to establish a commercial bank in the IFC, a wholly domestically-owned bank must have minimum total assets of VND100 trillion ($3.8 billion). A wholly foreign-owned bank must have at least VND10 billion (over $380,000) in assets, while a foreign bank branch's parent must possess minimum total assets of VND20 billion (nearly $760,500).

Along with these capital requirements, all banks operating in the IFC must have internal regulations for preventing money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction that comply with the laws of Vietnam.

All applicants must also submit a feasible establishment plan and business strategy, ensuring their operations do not affect the safety of the financial system, create a monopoly, or lead to unfair competition.

The owners and parent banks must provide a written commitment to support their IFC entity in terms of finance, technology, governance, and operations. They must also pledge to maintain the real value of the charter or allocated capital at a level not lower than the legal capital and to comply with all operational safety regulations.

Additionally, the draft decree sets out separate conditions for owners of commercial banks operating within the IFC.

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# ECONOMY

**Việt Nam emerges as Asia’s rising economy: Thai newspaper**

*VNS*

Việt Nam is increasingly asserting its position as an emerging economy in Asia, with signs it may overtake Thailand on fronts, according to Thailand's newspaper *The Nation*.

The newspaper on Tuesday reported that Việt Nam has unveiled an ambitious national development plan to invest around 1.5 trillion baht (VNĐ1.28 quadrillion or US$48.7 billion) - in 250 infrastructure and housing development projects nationwide, aiming to achieve 8 per cent GDP growth in 2025 and sustain double-digit growth in subsequent years.

The ultimate target is to transform Việt Nam into Asia’s next 'tiger economy' and reach high-income status by 2045.

Việt Nam’s economy has long relied on exports and foreign direct investment (FDI), leaving it vulnerable to external shocks such as the recently imposed retaliatory tariffs by US President Donald Trump.

To reduce this risk, the Vietnamese Government is now stimulating domestic demand through massive infrastructure spending.

At the end of 2024, Party General Secretary Tô Lâm announced the start of a 'new era of development', signalling Việt Nam’s most sweeping economic reform in decades. The government’s strategic vision is to emulate the Republic of Korea (RoK) and Taiwan (China) by lifting millions out of poverty and joining the ranks of Asia’s most advanced economies.

Việt Nam’s rapid rise is underscored by its income growth: per capita annual income in Hà Nội has jumped from $1,200 in 1990 to $16,385 today, fuelled by the country’s transformation into a global manufacturing hub.

However, challenges remain. Việt Nam’s traditional low-cost, export-driven growth model is slowing, forcing a shift towards high-tech industries, green energy and private sector expansion.

**From Thai perspective**

Nonarit Bisonyabut, senior research fellow at the Thailand Development Research Institute (TDRI), said that Việt Nam is implementing evidence-based reforms, such as bureaucratic restructuring to improve efficiency, enabling rapid economic advancement.

He noted that China and the RoK are prioritising Việt Nam over Thailand. Both nations are winners in the digital age – with China rising alongside the US as an AI leader.

“If Thailand fails to reform seriously, it risks losing competitiveness and may eventually fall behind Việt Nam,” Nonarit concluded.

Kriengkrai Thiennukul, chairman of the Federation of Thai Industries (FTI), told Thai-language daily newspaper *Krungthep Turakij*that Việt Nam is undergoing a major adjustment, taking advantage of changes in US tariffs and global trade rules.

"Việt Nam knows the world has changed, so it must rely more on itself and push through structural reforms,” Kriengkrai said.

“They’ve started with bureaucratic reforms, cutting ministries and expenses to reduce redundancy. They know if they don’t restructure, they’ll lose out in global competition. This is a good example Thailand should follow,” he said.

Poj Aramwattananont, chairman of the Thai Chamber of Commerce, also highly appreciated Việt Nam's strategy of expanding infrastructure investment, considering this a proactive step to maintain growth and cope with the impact of global trade policy.

“Việt Nam is growing from exports and rolling out major infrastructure projects. We are too slow. We need faster execution, clear policies and political stability,” he noted.

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**Việt Nam’s rice race heats up with fresh push for quality gains**

*BIZHUB/VNS*

The Prime Minister’s recent directive to call for actions to sustain rice export has highlighted that the rice industry still has much work to do, especially a long-term, sustainable and breakthrough approach.

Prime Minister Phạm Minh Chính’s recent directive to boost rice exports underscores that Việt Nam’s rice industry still faces significant challenges requiring long-term, sustainable solutions focused on quality and competitive advantage.

Having overtaken Thailand as the world’s second-largest rice exporter, Việt Nam is now shifting its focus from sheer volume to high-value products. The PM has called for urgent action to tackle bottlenecks threatening this position.

According to Government Office Document No 7697/VPCP-NN, issued on Monday, the sector must confront risks including salinity intrusion, drought, climate change and strict regulatory barriers from demanding markets such as the EU and Japan.

“In the context of weakening global demand, forcing rice exporters to sharply lower prices, Việt Nam’s competitiveness in prices will be narrowed down. This requires a long-term strategy with the focus shifting from increasing output to improving product value,” the PM emphasised.

Việt Nam must prioritise exporting high-quality and organic rice with transparent traceability and a strong national brand, or risk losing its hard-won global ranking amid fluctuating supply and climate pressures.

The PM tasked the Ministry of Agriculture and Environment with crafting detailed plans to safeguard the country’s standing while accelerating a project to develop 1 million hectares of high-quality, low-emission rice fields by 2030.

Statistics reveal that in the first seven months of 2025, Việt Nam exported 5.5 million tonnes of rice worth US$2.81 billion – volume up 3.1 per cent but value down nearly 16 per cent compared to the same period last year.

The market faces pressure from India’s large mid-priced rice exports and the Philippines’ 60-day suspension of rice imports from September 1. The Philippines remains Việt Nam’s largest rice importer.

Nonetheless, Vietnamese rice is expanding in stable markets such as Japan, South Korea and the EU, thanks to speciality varieties like ST25.

Data from the Thai Rice Exporters Association confirms Việt Nam exported 4.72 million tonnes in the first half of 2025, surpassing Thailand to become the world’s second-largest rice exporter. India leads with 11.68 million tonnes exported.

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# INVESTMENT

**Amata Vietnam boosts development of high-tech industrial park in Phu Tho**

*VIR*

Leaders of Amata VN met with Phu Tho People's Committee on August 19 to discuss plans for a new high-tech industrial park.

Amata Vietnam plans to develop Doan Hung Industrial Park (IP) into a smart city model.

The first phase will cover 300-500 hectares in Tay Coc and Doan Hung communes. The IP aims to attract automotive manufacturing and supporting industries, high-tech industries, and clean energy using renewable resources.

The discussions focused on high-tech, environmentally friendly investments that contribute to driving socioeconomic development, including projects in electronics, telecommunications, semiconductor manufacturing, AI, mechanical engineering, automotive and motorbike assembly, and industrial infrastructure development.

Dang Xuan Phong, Secretary of Phu Tho Party Committee, noted that the province is one of the fastest-growing localities with an increasingly attractive business environment.

“The province will facilitate investment procedures, swiftly approve investment policies, and issue investment registration certificates. Additionally, Phu Tho will support Amata in resolving land clearance issues and enticing investment projects,” said Phong.

Later that day, Amata’s delegation met with Tran Duy Dong, Deputy Secretary of Phu Tho Party Committee and Chairman of Phu Tho People's Committee, along with leaders of provincial departments.

Vikrom Kromadit, chairman of Amata Corporation (Thailand), and senior executives, joined the meeting online to further discuss the project.

On behalf of [Amata](https://vir.com.vn/construction-begins-on-new-ready-built-factory-at-amata-city-halong-129993.html), CEO Panichewa thanked the provincial leaders for their support and presented the 1/2000 master plan for Doan Hung IP, along with proposed next steps.

She expressed hope that the project’s investment registration certificate would be granted in October.

Founded in 1989, Amata is a leading industrial city developer in Southeast Asia with more than 40 companies and subsidiaries.

Amata manages nine integrated IPs and townships spanning over 10,000 hectares, serving 1,400+ multinational tenants, generating 300,000+ jobs, and contributing $56 billion to national GDPs.

In Vietnam, Amata has more than 30 years of industrial development experience, with nearly 3,000 ha across four key projects: Amata City Bien Hoa, Amata City Long Thanh, Amata City Ha Long, and Quang Tri Industrial Park.

Doan Hung IP in Phu Tho will mark another milestone in Amata’s expansion, reinforcing its commitment to sustainable and innovative industrial development in Vietnam.

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**Viettel invests $1 billion in two key national projects**

*VIR*

Viettel Group kicked off the construction of An Khanh Data Centre and Viettel Research and Development Centre on August 19.

The projects coincide with celebrations for Vietnam's National Day (September 2). They have fundamental significance, affirming Viettel's pioneering role in implementing Resolution No.57-NQ/TW on developing a system of research and testing centres and key national laboratories, focusing on strategic technologies.

The Viettel Research and Development Centre is expected to cost VND10 trillion ($400 million), and will cover 13 hectares at the Hoa Lac High-Tech Park. It is slated for completion in 2030.

The project will apply international standards in design and operation, integrating smart, green, and sustainable elements to meet both professional requirements and environmental protection standards.

Meanwhile, An Khanh Data Centre will cover 2.9 ha with a total investment of VND17.5 trillion ($700 million), making it the largest data centre in the North.

Phase 1 will be operated from the second quarter of 2026, and by 2030, it will be upgraded to Viettel's second hyperscale data centre.

This year, Viettel has deployed the construction of a series of projects of strategic significance such as Tan Phu Trung Data Centre and Viettel Danang, contributing to the completion of its modern infrastructure network and meeting the goals of national defence development and digital transformation.

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# PROPERTY

**Malaysian property giant UOA Group snaps up prime HCMC lot for $68M**

*VE*

Leading Malaysian developer UOA Group has acquired a prime land lot in HCMC for $68 million, making it one of the city’s largest real estate transactions this year.

UOA Vietnam has bought out VIAS Hong Ngoc Bao Jsc, which owns the 2,000 square-meter lot in Tan Dinh Ward.

The transaction, slated for completion in September, positions UOA to develop a 22-story grade A office building on one of the most sought-after sites in Vietnam’s biggest city.

Founded in 1987, UOA Group’s parent company, United Overseas Australia, is listed on the Australian and Singapore stock exchanges.

Its core operations, managed through UOA Development Bhd, boast a market capitalization of nearly $900 million, cementing its status as a top-tier Malaysian real estate player.

Its footprint in Vietnam includes prominent projects in HCMC such as the grade A office buildings UOA Tower and Millennial Tower in the Phu My Hung area and luxury residential development The MarQ in the erstwhile District 1.

It has also partnered with CapitaLand Development for the nearly 19-hectare Sycamore complex in Binh Duong Ward.

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**Residential ventures rush to launch**

*VIR*

A wave of new developments is sweeping through the real estate sector, helping to close the recent supply gap.

On August 1, Solia Group and Casa Holdings introduced The Solia, an eco-urban area located on the frontage of Ring Road 4 in the Mekong Delta province of Tay Ninh, and directly connected to Ho Chi Minh City via key transport arteries.

The scheme stands out for its fully completed infrastructure, high-quality internal amenities, transparent legal status, and individual land use and housing rights certificates for each plot across the entire development.

Also in Tay Ninh, Vingroup has kicked off the 200-hectare Vinhomes Green City venture, with an investment capital of $1.1 billion, adjacent to ring roads 3 and 4. In early August, it recorded bookings for 2,000 units within just 24 hours.

In the former Binh Duong area and Dong Nai province, a series of other launches has also taken place. For example, An Gia Group has put The Gio on sale, C-Holdings is offering The Felix, and Phat Dat has unveiled La Pura, located on the frontage of National Highway 13.

Similarly, Bcons Group has broken ground on Bcons Binh An East-West, located on Thong Nhat Road and directly connected to Hanoi’s highway. The 30,000sq.m development has a total investment of over $260 million and is expected to supply more than 1,800 apartments to the market.

In the high-rise apartment segment, in July, Nam Long Group began construction on the Solaria Rise complex at the Waterpoint mega-urban area. This apartment complex is part of a cluster of 4,000 Solaria units planned for the near future, marking Nam Long’s acceleration in satellite markets.

Other ventures, such as The Infinity Di An, Symlife Thuan An, and The Aspira, are also rushing to finalise legal procedures to be ready for sale in Q3.

Figures from DKRA Consulting indicate that new supply in the land lot segment will see a slight increase, with around 450–550 products expected to be launched in this quarter.

“The former Long An, Binh Duong, and Dong Nai areas are likely to maintain their positions as the main sources of supply for the market. Market liquidity is expected to sustain its positive recovery momentum. In particular, schemes with completed infrastructure, clear legal status, and high marketability will continue to engage market interest,” Vo Hong Thang, deputy CEO of DKRA Consulting, told VIR.

In the apartment segment, Q3 supply is projected to remain at a level similar to the previous quarter, ranging from approximately 9,000 to 11,000 units, concentrated mainly in Ho Chi Minh City and newly incorporated Binh Duong.

“The Grade A apartment segment will continue to hold a dominant position in Ho Chi Minh City, while Grade B and C segments will lead new supply in outlying areas. Newly implemented legislation, along with the continued maintenance of low lending interest rates, will remain positive factors boosting market demand,” Thang said.

Prices are showing a slight upward trend in areas expected to benefit from administrative boundary mergers. Developers are also flexibly adjusting payment methods, sales policies, launch gifts, and interest rate support to stimulate the market, he added.

New supply in the townhouse and villa segment is forecast to continue the positive recovery trend from the previous quarter, with around 2,000-3,000 products, mainly concentrated in the former Long An and former Binh Duong areas. This bustling wave of launches is expected to partly fill the supply gap in Ho Chi Minh City while creating new momentum for the southern real estate market in the last months of the year.

Trinh Thi Kim Lien, sales director of Dat Xanh Services, observed that developers have returned to the race after overcoming a period of financial restructuring and seeing partial easing of legal and capital constraints.

“The market is entering a strong restart phase, not only from familiar names but also with the participation of new investors with solid financial capacity,” Lien said.

According to such experts, the biggest driver for the property market from the end of the year will come from the robust wave of infrastructure investment spreading across the expanded Ho Chi Minh City metropolitan area.

Many key infrastructure works, such as ring roads 3 and 4, Ben Luc–Long Thanh Expressway, and the expansion of the expressway through Ho Chi Minh City, Long Thanh, and Dau Giay are being vigorously implemented, laying the foundation for regional connectivity, population dispersal, and unlocking housing supply in the medium and long term.

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

**Petrovietnam starts O Mon IV plant to power energy future**

*VIR*

Petrovietnam has started work on a flagship power project in the Mekong Delta city of Can Tho, pushing forward Vietnam’s gas-to-power development.

On August 19, the group commenced construction of the O Mon IV Thermal Power Plant, the first downstream component of the Block B–O Mon Gas-to-Power value chain. The plant represents a major step for both [Petrovietnam](https://vir.com.vn/search_enginer.html?p=search&q=Petrovietnam) and the country’s energy sector, driving a sustainable shift from offshore gas to onshore power. It is also one of 250 national landmark projects marking the 80th anniversary of the August Revolution and National Day on September 2.

The plant will use combined cycle gas turbine technology with a designed capacity of 1,155 MW and was conducted via a joint venture between South Korea's Doosan Enerbility Co., Ltd and Vietnam’s Power Engineering Consulting JSC 2 (PECC2) as the general engineering, procurement, and construction (EPC) contractor.

Upon completion in 2028, the O Mon IV Thermal Power Plant will raise Petrovietnam’s managed power capacity to over 9,300 MW, equal to 10 per cent of the national grid. The plant is expected to deliver clean, efficient, and reliable power to the grid and ensure a stable electricity supply for the Mekong Delta, while reinforcing Vietnam’s long-term energy security and net-zero 2050 goals.

Petrovietnam chairman Le Manh Hung said, "Petrovietnam plays a leading role in developing large-scale national energy centres, advancing international integration, and providing diverse energy solutions, including renewables. The successful implementation of the O Mon IV Thermal Power Plant, together with the projects in the Block B–O Mon gas-to-power chain, is both an important political task and a driving force that motivates Petrovietnam’s leadership and staff to continue overcoming challenges."

Yeonin Jung, vice chairman at Doosan Enerbility, said, "We are committed to working with PECC2 to ensure the O Mon IV Thermal Power Plant is built to the highest standards, contributing positively to Vietnam’s power sector. Looking ahead to 2050, Doosan aims to remain a trusted partner for Vietnam as a key equipment supplier and EPC contractor in clean energy projects, as well as in the country’s nuclear power development strategy to help meet rising electricity demand."

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**$5 billion petrochemical complex restarts operations**

*VNS*

With total investment exceeding $5 billion, the project includes an olefins plant with an annual capacity of 1.35 million tonnes, three polyolefin plants with a combined annual capacity of 1.4 million tonnes, as well as tanks, port facilities and other supporting infrastructure in Long Sơn Commune, HCM City.

Long Sơn Petrochemicals Co., Ltd. (LSP) has announced the restart of operations at the Long Sơn Petrochemical Complex on August 20, following more than 10 months of suspension.

The move comes amid falling crude oil prices, which have improved profit margins between inputs and outputs, creating favourable conditions for the company to seize opportunities, maintain customer links and secure supply chains in a volatile global market.

The Long Sơn Petrochemical Complex is a flagship project of SCG Chemicals (SCGC), a subsidiary of Thailand’s SCG Group, and is Việt Nam’s first fully integrated petrochemical facility.

With total investment exceeding US$5 billion, the project includes an olefins plant with an annual capacity of 1.35 million tonnes, three polyolefin plants with a combined annual capacity of 1.4 million tonnes, as well as tanks, port facilities and other supporting infrastructure in Long Sơn Commune, HCM City.

Alongside the restart, LSP is implementing the Long Sơn Petrochemical Enhancement Project (LSPE) with an investment of $500 million, expected to be completed by 2027.

This strategic project aims to supplement ethane into the existing feedstock mix of naphtha and propane, with the goal of cutting operating costs by more than 30 per cent, reducing greenhouse gas emissions and strengthening long-term competitiveness.

Key components include the construction of two cryogenic ethane storage tanks (each with a capacity of 55,000 tonnes), upgrading production facilities to use up to 70 per cent ethane feedstock, and importing one million tonnes of ethane per year from the United States using five specialised carriers with a capacity of 50,000 tonnes each.

Kulachet Dharachandra, General Director of LSP, said the petrochemical market in the second half of 2025 remained highly competitive, but diversifying feedstock sources with ethane represented a strategic step to enhance competitiveness and promote sustainable growth.

He emphasised that the LSPE project would create more than 1,000 jobs during the construction phase, while long-term ethane import contracts would also help strengthen trade and economic ties between Việt Nam and the United States.

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**LEGAL**

**Government issues roadmap for mandatory online bidding for investor selection**

*VNE*

**The online investor selection process regulated by the newly promulgated decree is applicable to projects that fall under international bidding.**

The Government has issued Decree 225/2025/ND-CP (Decree 225), establishing a specific and mandatory roadmap for selecting investors online for projects that involve land use.

The decree took effects on August 15, 2025.

This new regulation is expected to enhance transparency, competition, and efficiency in the bidding process, while also simplifying procedures for businesses.

Decree 225 amends and supplements several detailed regulations for implementing the Law on Bidding, with a primary focus on digitizing the investor selection process on the National Bidding Network System.

Under the new regulations, the online selection of investors will be implemented according to a specific timeline:

From July 1, 2026, all domestic "invitations for expressions of interest" for investment projects must be conducted online via the National Bidding Network System.

From January 1, 2027, the online selection of investors will become mandatory for land-use investment projects using domestic open and limited bidding formats (applicable to both one-stage, one-envelope and one-stage, two-envelope methods).

The online investor selection process regulated by Decree 225 is not applicable to projects that fall under international bidding. However, all information related to the investor selection process for these projects must still be fully published on the System as required by the 2023 Law on Bidding.

Decree 225 also details and standardizes the entire online investor selection procedure to ensure consistency and transparency.

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# Land law overhaul aims to clear path for real estate growth

*VNS*

The draft revised Land Law 2024 promises significant improvements in administrative procedures, land valuation transparency and mechanisms for land recovery - key reforms expected to stimulate the real estate market and economic sectors reliant on land use.

The draft revised Land Law 2024 promises significant improvements in administrative procedures, land valuation transparency and land recovery mechanisms – key reforms expected to boost the real estate market and economic sectors dependent on land use.

The draft was discussed at a workshop on enhancing the Land Law to create development momentum in the digital age, held on August 20 in Hà Nội by *VietTimes* e-magazine and the Institute of Strategy and Policy on Agriculture and Environment under the Ministry of Agriculture and Environment.

Chairman of the Vietnam Association of Construction Contractors and CP.Invest Nguyễn Quốc Hiệp noted that the draft has sparked debate, particularly over site clearance mechanisms and land valuation methods.

He warned that allowing businesses to negotiate land repossession could delay projects or even cause closures.

Furthermore, the current land valuation method for projects tends to push land prices upward, driving costs higher and potentially inflating prices to unsustainable levels, which could burden economic development.

“The amendment not only ensures transparency in legislation but also strives to balance the interests of businesses, residents, and sustainable development goals,” Hiệp said.

He highlighted the draft law’s groundbreaking amendments designed to protect business rights while revitalising the real estate market and supporting overall economic growth.

Key changes include expanding the State’s authority to recover land for projects in special locations, mixed-use urban residential areas and free trade zones.

Additionally, for projects with a recovery timeline set by local authorities, if 75 per cent of the land is recovered by the deadline, the State will automatically recover the remainder. This aims to give businesses greater confidence and ease in accessing land to execute projects on time.

Enterprises have praised this reform spirit, aligned with Resolution 66, which seeks to remove unreasonable legal barriers, improve access to land and production resources, and promote sustainable economic development.

Hiệp also pointed out that current site clearance procedures remain lengthy and complicated, often taking six months to a year, thereby delaying project implementation.

He cited an example in Phú Thọ, where site clearance for a project has dragged on for 14 years, progressing only partially. The cumbersome multi-step process – including notification on site clearance, public posting, compulsory inventory, and land recovery announcements – has been a major bottleneck.

Businesses advocate for streamlining these procedures to facilitate project execution while protecting citizens’ rights and adhering to legal standards.

Land pricing under the old law posed significant challenges due to fragmented land allocations, leading to repeated re-evaluations with price increases averaging around 20 per cent, driving project costs up substantially.

For instance, a project in Phú Thọ experienced land grants in stages (7.2 hectares, then 8.4, then 6.7 hectares), with each valuation rising, complicating financial planning and execution.

To address this, businesses proposed abolishing the segmented land valuation for each stage in favour of a standardised land price list valid for five years, adjusted only by predefined coefficients. This will ensure fairness and transparency.

Past experience shows provincial authorities sometimes set coefficients two to three times higher than the official price list, complicating cost forecasting and fairness. Clear regulatory guidance is vital to prevent such inconsistencies.

Another issue involves the unclear determination of land price lists and coefficients in the bidding process for land use rights, making it difficult for investors to plan effectively.

Enterprises recommend that the drafting committee and Department of Land incorporate explicit bidding mechanisms in the law to guarantee transparency and feasibility.

Editor-in-Chief of *VietTimes*Nguyễn Bá Kiên commented that in the era of rapid digital transformation, land is not only a tangible asset but also a resource capable of generating high added value through digitalisation, data-driven management, transparency and modern governance.

Completing land policies and laws in a modern and transparent manner, grounded in digitalisation, will not only enable more effective management of this valuable resource but also help create a healthy investment and business environment.

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