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LEGAL UPDATE – AUGUST 2025

DUANE MORRIS VIETNAM LLC



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Summary

No.	Items
1	New decree providing detailed regulations for the implementation of the Land Law
2	New decree on investor selection
3	Draft E-Commerce Law

1. New decree providing detailed regulations for the implementation of the Land Law (Decree No. 226/2025/ND-CP dated August 15, 2025)

Decree 226 issued on August 15, came into effect on the same day provides multiple regulations that are beneficial to individuals using land related to the land use right certificates (i.e., red books)

- (i) Debiting land use fees when issuing the first red book, no time limit.**
 - Individuals who are granted the first red book can choose to debit the entire land use fee. This debt is interest-free and is extended until the land user exercises the rights (transfer, donate, mortgage, etc.).
 - Previously, the debt was only recorded for a maximum of 5 years (from August 1, 2024 to July 31, 2029).
 - The new regulation helps reduce financial pressure on people, especially when land use costs, including the cost of issuing the first red book, are increasingly high.

(ii) Handling of area differences when re-measured

- When registering changes (transfer, land division, issuance of new land use right certificates, etc.), the actual measured area may differ from the old land use right certificates due to errors or new land use technology.
- If (1) there is no document on administrative sanctions for encroachment and (2) the land user commits not to encroach or buy more land, the State considers the actual measured area legal and the land plot boundary remains unchanged.
- This regulation overcomes the shortcomings of many land use right certificates previously issued according to unofficial maps or declarations, while avoiding causing inconvenience and harassment to the people.

2. New decree on details of some articles and measures to implement the bidding law on selecting investors (Decree No. 225/2025/ND-CP dated August 15, 2025)

Decree 225 issued on August 15, came into effect on the same day attracting the attention of real estate businesses due to its direct relationship with the process of selecting investors for projects using land. Notable new points include:

- (i) Removing the “experience” criterion when evaluating investors
 - Before (Decree 115/2024): Investors must have both financial capacity and similar project experience. Now: Only the financial capacity criterion is retained; experience is only used as a basis for ranking in cases where investors have the same total score (i.e., as a “priority” score instead of a “floor” score as before)

Investors no longer have to “borrow” experience or form formal partnerships with other entities just to meet the experience requirements as before.

(ii) Adjusting the calculation of the State budget payment rate (m)

- Before (Decree 115/2024): The auction winning land price increased abnormally, still using reference, causing “m” to be pushed up. Now: Excluding land plots with winning prices exceeding 20% of the floor price from the reference list.

This helps limit “virtual prices”, ensuring transparency and fairness for investors.

(iii) More specific regulations on investor selection in “special cases” & “designated investors”

- Adding applicable cases such as: defense, security, energy, special technology projects, TOD, sea encroachment... Some cases allow both investor selection and project implementation; At the same time, expand the authority to select investors in special cases, in addition to the central agency, in some cases to the locality.

These regulations are expected to shorten procedures, speed up the progress of key projects, attract suitable investors.

3. Draft E-commerce Law

The 2025 Draft E-Commerce Law brings significant updates aimed at closing gaps in the existing legal framework and keeping pace with the realities of today's digital economy. Some highlights are as below:

- **Platform Classification:** The draft introduces a four-tier classification of e-commerce platforms. This new approach better reflects the variety of business models in the market, though the criteria for each category still lack clarity. The proposed categories are: Direct Business; Intermediary; Social Media with e-commerce functions; and Multi-Service Integrated Platforms.
- **Livestreaming and Affiliate Marketing:** For the first time, the draft law formally recognizes Key Opinion Leaders (KOLs) and Key Opinion Consumers (KOCs) as sellers, making them subject to the same legal responsibilities. Platforms will also be expected to monitor livestreams in real time and promptly take down or terminate sessions that contain violations.
- **Cross-Border E-Commerce:** The draft tightens market entry requirements for foreign e-commerce operators. Direct sales platforms will need to appoint a legal representative in Vietnam, while intermediary, social media, and multi-service platforms must establish a local legal entity. These platforms will also need to meet certain thresholds, such as using Vietnamese language interfaces or reaching significant transaction volumes. Importantly, local representatives will share joint liability for compliance, including obligations relating to tax and consumer protection. In addition, large foreign ownership stakes could trigger a national security review, signaling closer scrutiny of foreign participation in Vietnam's digital economy.

- Enhanced Consumer Protection: The draft strengthens consumer rights in the digital marketplace.
 - Buyers will gain: Greater control over personal data; The right to cancel transactions under certain conditions; and Access to fast, transparent dispute resolution mechanisms.
 - For sellers, the draft raises the bar for accountability. They must provide accurate product information, clear warranty terms, and timely responses to consumer complaints to build trust and reduce fraudulent practices.
- Tax Compliance: On taxation, the law introduces a withholding tax mechanism for e-commerce transactions to limit evasion and ensure equitable contributions from both domestic and foreign sellers. This reflects Vietnam's broader effort to capture revenue from the rapidly growing digital economy.

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Thank you very much!

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