

# ANALYSIS OF INNOVATIONS IN THE 2025 LAW ON INVESTMENT



[bnalegal.com](https://bnalegal.com)



[CS@bnalegal.com](mailto:CS@bnalegal.com)



(+84) 706 062 611

# MỤC LỤC

<b>1</b>	<b>FOREIGN INVESTORS ARE ALLOWED TO ESTABLISH AN ENTERPRISE PRIOR TO OBTAINING AN INVESTMENT REGISTRATION CERTIFICATE</b>	<b>3</b>
<b>2</b>	<b>ADJUSTMENT OF THE LIST OF CONDITIONAL BUSINESS LINES</b>	<b>4</b>
<b>3</b>	<b>DECENTRALIZATION OF AUTHORITY IN THE APPROVAL OF INVESTMENT POLICY</b>	<b>5</b>
<b>4</b>	<b>REMOVAL OF TWO CASES REQUIRING ADJUSTMENT OF INVESTMENT PROJECTS</b>	<b>6</b>
<b>5</b>	<b>EXTENSION OF THE OPERATING TERM FOR CERTAIN INVESTMENT PROJECTS</b>	<b>6</b>
<b>6</b>	<b>SPECIAL INVESTMENT PROCEDURE</b>	<b>8</b>
<b>7</b>	<b>SIMPLIFICATION OF OUTWARD INVESTMENT PROCEDURES</b>	<b>8</b>



On December 11, 2025, the National Assembly of Vietnam passed the Investment Law No. 143/2025/QH15 (“**2025 Investment Law**”). On March 31, 2026, the Government issued Decree No. 96/2026/NĐ-CP (“**Decree 96**”), detailing the implementation of several provisions of the Investment Law 2025, and Decree No. 103/2026/NĐ-CP (“**Decree 103**”), which regulates outbound investment. Key changes of the Investment Law 2025 compared to previous regulations, together with practical impact assessments and strategic recommendations for investors during the transition period, are as follows:



### 1. Foreign investors are allowed to establish an enterprise prior to obtaining an Investment Registration Certificate

Pursuant to Article 19 of 2025 Investment Law and as guided under Article 72 of Decree 96, foreign investors are now granted the option to establish an economic organization (“**ERC**”) prior to initiating the procedures for obtaining an Investment Registration Certificate (“**IRC**”).

Under the previous framework of 2020 Law on Investment, the issuance of an

RC was a prerequisite for obtaining an ERC, leaving FDI enterprises without legal entity status to execute office lease agreements or formally recruit employees during the preparatory phase. Under the new mechanism, foreign investors may establish a legal entity from the outset, enabling early disbursement of operating expenses (OPEX), proactive bank account setup, and the execution of pre-investment contracts without legal risks



relating to legal capacity. Notably, Decree 96 clarifies that a company's charter capital is not required to be equal to the total investment capital of the project, thereby affording investors greater flexibility in capital mobilization in line with the implementation schedule to be recorded in the IRC.

Although allowing the issuance of an ERC prior to obtaining an IRC creates certain advantages, foreign investors should pay close attention to the following “technical thresholds” and mandatory timelines:

(i) The deadline for obtaining the IRC: Pursuant to Article 72.4 of Decree 96, within 12 months from the issuance date of the ERC, the enterprise must complete the procedures for obtaining the IRC. The IRC remains a mandatory instrument for implementing on-the-ground investment activities and serves as the legal basis for lawful profit remittance abroad by foreign investors.

(ii) Commitment in the ERC dossier: Where the enterprise registration is filed prior to the IRC, the application for enterprise registration must include a commitment to satisfy market access conditions applicable to foreign investors as stipulated under Article 8 of 2025 Investment Law.

(iii) Time limit for commencement of operations: This “pre-project” enterprise is only permitted to implement the investment project after the IRC has been obtained. Additionally, it may not amend its registration to add new business lines until the IRC procedures are completed.

From a risk management perspective, if an enterprise has already been established (holding an ERC) but the project is subsequently denied an IRC (due to non-compliance with planning requirements or failure to meet specific conditions), foreign investors may face complex dissolution procedures and difficulties in settling incurred costs and tax obligations in Vietnam. Therefore, to mitigate risks, foreign investors conduct legal due diligence on the project's eligibility before opting for the “shortcut” approach via early ERC establishment.

## 2. Adjustment of the list of conditional business lines

2025 Investment Law streamlines 58 business lines from Appendix IV (List of conditional business lines) to a total of 198 sectors (Article 7). Many auxiliary business lines have been removed from the list of conditional sectors, helping to reduce the burden of obtaining sub-licenses. Notably, the transitional mechanism under Article 102 of Decree 96 allows enterprises operating in



conditional business lines to continue using previously issued licenses and certificates until their expiry, thereby ensuring legal stability for investors.

In addition to streamlining the list, for the first time, sectors such as crypto assets, data exchange platforms, and personal data processing have been brought within the regulatory scope, thereby establishing a legal framework for innovation alongside requirements to ensure data security. At the same time, Article 6 of 2025 Investment Law introduces additional prohibited business lines, including e-cigarettes, heated tobacco products, and activities related to national treasures, relics, and antiquities.



In terms of regulatory approach, Decree 96 (Articles 12–14) establishes a classification model combining ex-ante control and ex-post supervision, under which certain sectors allow enterprises to operate based on self-declaration of compliance rather than requiring prior

licenses or certifications as before. This approach enhances autonomy while simultaneously imposing higher requirements for internal compliance governance, particularly in light of periodic regulatory reviews by competent authorities. Enterprises are responsible for ensuring compliance with applicable business conditions and for declaring such compliance. State authorities no longer control compliance through licensing or certification mechanisms but instead conduct ex-post inspections during the course of business operations.

Regarding effectiveness, although 2025 Investment Law takes effect from 1 March 2026, the list of 198 business lines under Article 7 and Appendix IV is only officially applicable from 1 July 2026, thereby creating a necessary transitional period to finalize technical conditions and adapt to the new regulatory framework.

### 3. Decentralization of authority in the approval of investment policy

Article 25 of 2025 Investment Law decentralizes all projects that were previously subject to the National Assembly's approval of investment policy under 2020 Investment Law to the Prime Minister, except for investment projects requiring the application of special mechanisms or policies that differ from the provisions of laws or resolutions of the National Assembly. In addition, 2025 Investment Law transfers the authority to



approve investment policy from the Provincial People's Committees to the Chairpersons of the Provincial People's Committees. At the same time, Chairpersons of Provincial People's Committees are now empowered to decide on strategic infrastructure projects such as golf courses, airports, and major seaports - areas that previously fell under the approval authority of the Prime Minister.

A notable advantage in reducing compliance burden is provided under Article 6.7 of Decree 96, whereby audited financial statements for the two most recent years are no longer required in the investment dossier (except in specific cases), nor does it impose validity requirements on commitments or guarantees for financial support from the parent company, financial institutions, or guarantees of the investor's financial capacity.



#### 4. Removal of two cases requiring adjustment of investment projects

Pursuant to Article 33 of 2025 Investment Law, where an investor adjusts the total investment capital by 20% or more, resulting in a change in the project scale, or changes the technology that was appraised or consulted during the process of obtaining investment policy approval, such changes do not require procedures for approval of adjustments to the investment policy. In addition, investors are only required to carry out procedures for amending the IRC if the adjustment of the investment project leads to changes in the key contents specified in the IRC. Under 2020 Investment Law, any change to the contents of the IRC required amendment procedures.

The reduction of administrative procedures helps investors take a more proactive approach to project implementation, while reducing the time and costs associated with dealing with state authorities.

#### 5. Extension of the operating term for certain investment projects

2025 Investment Law extends the permissible operating term to up to 70 years for certain investment projects outside economic zones, including: projects for the development and operation of infrastructure for high-tech



parks, high-tech industrial parks, and centralized digital technology zones; and projects eligible for special investment incentives and support.

Article 31.4 of 2025 Investment Law allows investors to increase or decrease the project duration at any point during the project lifecycle. This provision enables enterprises to proactively rebalance financial plans and restructure business models in line with market realities without having to wait until the project nears expiry.

Article 31 of 2025 Investment Law and Article 28 of Decree 96 introduce additional cases that are excluded from the project implementation schedule and operating term, thereby protecting the legitimate interests of investors. All periods during which a project is delayed due to force majeure events, administrative delays by state authorities, changes in planning by state authorities, or inspection and audit processes shall not be counted toward the project's implementation schedule or operating term. In cases where project delays result from late land handover by the State, investors may rely on the actual land handover documentation to re-determine the project timeline, without necessarily having to carry out complex procedures to amend the IRC.

In addition to policies that facilitate and support investors, Vietnam firmly pursues

a sustainable investment strategy by imposing stringent standards for project extensions. Pursuant to Article 28 of Decree 96, projects utilizing outdated technology (with production line efficiency below 85% or energy consumption exceeding design specifications by more than 15%) will be denied extension. In the absence of applicable national standards, regulatory authorities will directly benchmark against technical standards of G7 countries or South Korea.

In addition to technological requirements, to qualify for an extension, projects must ensure compliance with planning regulations and satisfy land allocation or lease conditions. Notably, Decree 96 introduces an “annual automatic extension” mechanism for projects that meet all extension conditions but face objective obstacles related to commune-level land use planning, to be “automatically extended on an annual basis” from the first year of the approved extension until such land use plan is issued, thereby ensuring that business operations are not disrupted due to planning-related constraints. Investors must submit extension applications at least 12 months prior to project expiry.



## 6. Special Investment Procedure

Article 28 of 2025 Investment Law allows investors in projects located in industrial parks, export processing zones, high-tech parks, centralized digital technology zones, free trade zones, international financial centers, and functional zones within economic zones to streamline investment procedures through a special investment process, except for projects subject to investment policy approval as prescribed by the Government.

The key feature of this procedure is that investors are not required to carry out procedures for investment policy approval, technology appraisal, preparation of an Environmental Impact Assessment, detailed planning, construction permitting, or approvals/permits in the areas of construction and fire prevention and fighting. Instead, investors are only required to submit a written commitment confirming compliance with applicable conditions, standards, and technical regulations under the laws on construction, environmental protection, and fire prevention and fighting. At the same time, the Environmental Impact Assessment is replaced by an investment project proposal that includes the identification and assessment of environmental impacts, along with measures to mitigate adverse environmental effects.

Under the special investment procedure, investors may obtain an IRC from the Management Board of industrial parks, export processing zones, high-tech parks, or economic zones within only 15 working days.

## 7. Simplification of outward investment procedures

2025 Investment Law abolishes the requirement for obtaining approval of outward investment policy. Investors are now only required to obtain an Offshore Investment Registration Certificate (“OIRC”) from the Ministry of Finance. In addition, 2025 Investment Law narrows the cases in which an OIRC is required. Accordingly, only projects with outbound investment capital of VND 7 billion or more, or projects in sectors subject to conditional outbound investment, are required to obtain an OIRC. For other investment projects, investors are only required to carry out foreign exchange registration procedures in accordance with foreign exchange control regulations, without the need to obtain an OIRC.

Conditional outbound investment sectors include banking, insurance, securities, press, radio, television, and real estate business. Furthermore, Decree 103 allows Vietnamese investors to use shares, capital contributions, or profits from overseas economic organizations, or from their investment projects in



Vietnam, to make payments or swaps for the acquisition of shares, capital contributions, or investment projects of overseas economic organizations.

2025 Investment Law and its guiding decrees (Decree 96 and Decree 103) have significantly reduced administrative procedures not only for foreign investors investing in Vietnam but also for Vietnamese investors investing abroad. In addition, stronger decentralization and

delegation of authority to local levels in handling investment procedures have contributed to a more streamlined legal framework for investment. This framework grants greater autonomy to investors, while also enhancing their responsibility for self-commitment, self-compliance, and legal accountability. State authorities are gradually shifting from a licensing and approval-based approach to one that emphasizes empowerment and ex-post supervision.



**THANK YOU FOR  
READING OUR  
LEGAL NEWSLETTER**



[bnalegal.com](https://bnalegal.com)



[CS@bnalegal.com](mailto:CS@bnalegal.com)



(+84) 706 062 611