

LEGAL FORUM



DRAFT LAW ON E-COMMERCE

On 3 November 2025, the Vietnam Ministry of Industry and Trade released a Draft of the Law on E-commerce ("Draft Law"), which introduces stricter regulations specifically targeting e-commerce platforms. This legislation, expected to be effective in 2026, aims to address regulatory gaps, strengthen consumer protection, and promote the sustainable growth of Vietnam's digital economy.

Below are some key highlights of the Draft Law.

I. PLATFORM CLASSIFICATION

The Draft Law formally classifies E-commerce platforms into four categories, including:

- Direct Business;
- Intermediary;
- Social Media with e-commerce functions;
- Multi-service integrated platforms.





3. FOREIGN INVESTMENT IN THE E-COMMERCE SECTOR

Under the Draft E-Commerce Law, operating an E-commerce platform is classified as a conditional market-access business for foreign investors. The key conditions include the following:

- Foreign investors may enter the sector by establishing an economic organization in Vietnam or by contributing capital, purchasing shares, or acquiring equity in accordance with the Law on Investment.
- Where a foreign investor exercises control over a **big digital platform**, the investor must comply with national security conditions to be further specified by the Government.

Under the Law on Protection Consumers' Rights, big digital platform refers to digital platforms serving e-transactions that are established and operated for trading

2. FOREIGN E-COMMERCE PLATFORMS

The Draft Law significantly tightens market-entry rules for foreign platforms. While Direct Business platforms must appoint a legal representative in Vietnam, Intermediary, Social Media with e-commerce functions, and Multi-service Integrated platforms will be required to establish a local legal entity to operate in the country, as well as meet specific thresholds such as (i) demonstrating Vietnamese-language use, or (ii) using a Vietnam country-code domain “.vn”, or (iii) achieving large transaction volumes.

These local representatives will be jointly liable for compliance, including tax and consumer protection.

purposes in cyberspace, and that satisfy one of the following criteria:

- Having at least 3,000,000 user accounts operating annually in Vietnam (with traders responsible for self-determining this figure); or
- Being a big or very-big intermediary digital platform serving e-transactions according to the Law on E-transactions.

Notably, foreign investment in innovative start-ups, micro-enterprises, or small enterprises is exempt from these obligations for **five years** from the Draft Law's effective date.

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