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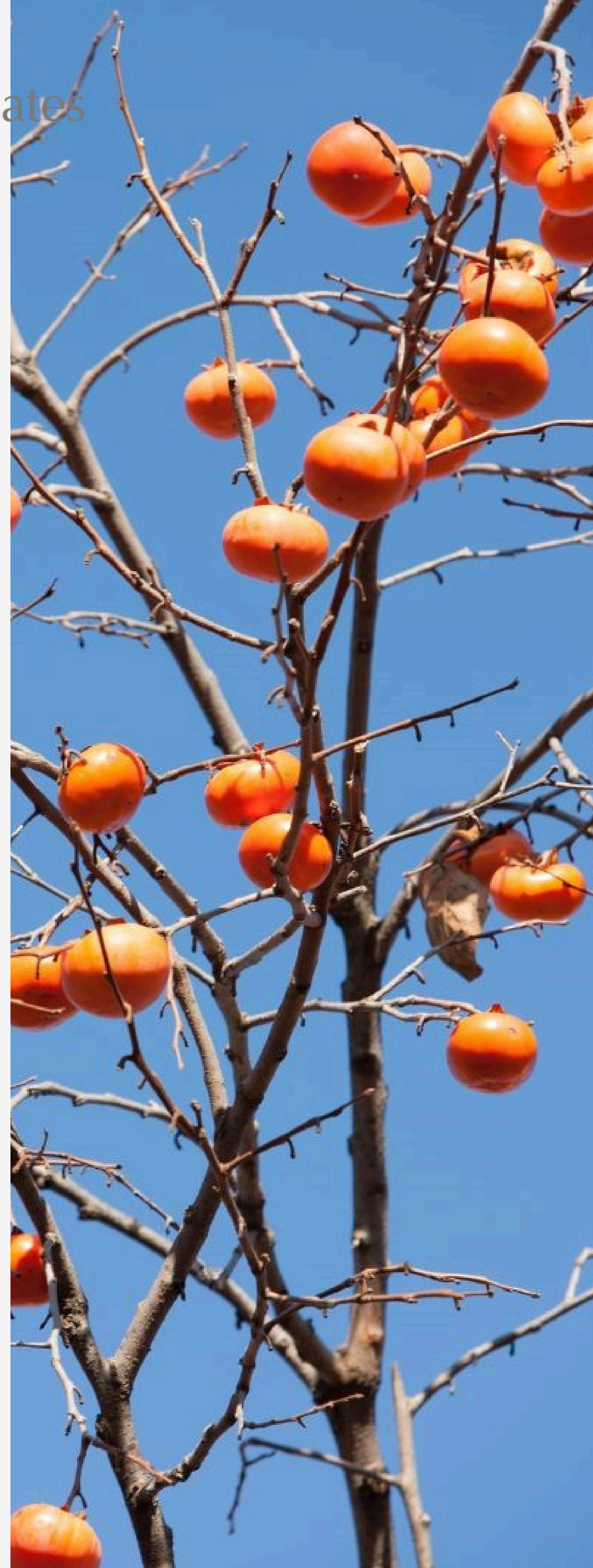


NOTABLE ACTIVITIES IN SEPTEMBER 2025

In September 2025, **Mr. Nguyen Hung Quang, Managing Partner of NHQuang&Associates, Vice President of Vietnam Society of International Law**, and one of the **legal experts involved in the formulation of the Law on Capital 2024**, participated in an interview featured in the documentary ***A New Autumn, A New Aspiration***, produced by Hanoi Radio and Television. The documentary was conceived to record a pivotal transition in Hanoi's development following eighty years of historical evolution and administrative reorganization in the context of global integration. Also, it highlights the city's commitment to preserving and promoting the millennia-old historical and cultural values of the Capital.

Mr. Quang observed that the integration between urban and rural areas constitutes a critical motivation for achieving balanced and sustainable development in Hanoi. The urban sector is expected to continue its trajectory toward modernization while preserving its distinctive traditional identity. Concurrently, the livelihoods of rural communities are anticipated to improve through economic activities functionally interlinked with the urban economy. This perspective aligns closely with the City of Hanoi's long-term strategic development orientation.

One of the principal policies proposed is the establishment of "*Business Improvement Districts*" within local neighborhoods and traditional craft villages. Under the legal framework established by Resolution No. 25/2025/NQ-HĐND of the Hanoi People's Council, this initiative is envisaged to leverage social capital in fostering investment across the domains of commerce, culture, and tourism. Furthermore, it aims to contribute to the preservation, revitalization, and promotion of Hanoi's rich cultural and historical heritage.

The full documentary can be accessed at: https://hanoionline.vn/mua-thu-moi-khat-vong-moi-phong-su-tai-lieu-04092025-356660.htm

ENSURING NATIONAL ENERGY SECURITY UNDER RESOLUTION 70-NQ/TW: NEW OPPORTUNITIES FOR THE PRIVATE SECTOR

NGUYEN THI KIEU TRINH

In the context where certain limitations persist in implementation of Resolution 55-NQ/TW dated February 11, 2020 of the Politburo on the strategic orientation for Viet Nam's national energy development through 2030 with a vision to 2045 (**Resolution 55**), and it is difficult to achieve many of the targets set forth, on August 20, 2025, the Politburo issued Resolution 70-NQ/TW on ensuring national energy security through 2030 with a vision to 2045 (**Resolution 70**) to introduce comprehensive and breakthrough policies and guidelines for ensuring national energy security in the new era, creating opportunities for the private sector to participate in national energy development.

Built upon the foundation of Resolution 55 while supplementing and developing new perspectives, objectives, tasks, and solutions to ensure national energy security, Resolution 70 affirms that firmly ensuring national energy security is the foundation and crucial prerequisite for national development. In a key outstanding aspect, Resolution 70 paves the way for the development of a competitive energy market, **creating opportunities for the private sector's participation in energy development** and ensuring equal competition with other economic entities in energy project development, which is the key outstanding point. This will also be the central goal consistently pursued throughout the period up to 2030, with a vision toward 2045. Furthermore, while Resolution 55 primarily focused on promoting renewable energy in general, Resolution 70 clearly outlines a policy for **developing nuclear power in Viet Nam** and encourages private enterprises to participate in small modular reactor projects.

Under Resolution 70, the Politburo has identified seven key tasks and solution groups to be implemented for achieving the set objectives. Inter alia, this Resolution advocates strongly encouraging private sector to participate in energy development, requiring the prompt and effective implementation of a direct electricity purchase mechanism, and enhancing electricity consumers' ability to access and choose suitable electricity providers that meet their needs; establishing and refining the electricity trading system, including transparent, stable, and long-term power purchase agreement (PPA) mechanism in order to safeguard the legitimate rights and interests of investors. Notably, private enterprises are encouraged to participate in energy storage infrastructure projects, such as battery storage, LNG terminals, and petroleum storage facilities, both onshore and offshore. Furthermore, to create a favorable environment for investing, operating, building, and managing energy projects, thereby attracting private investment, this Resolution also introduces a specific solution to thoroughly reform administrative procedures, aiming to reduce the time, compliance costs, and business conditions by 30-50%; renovating the electricity transmission pricing mechanism to strongly attract private sector investment in developing transmission grids.

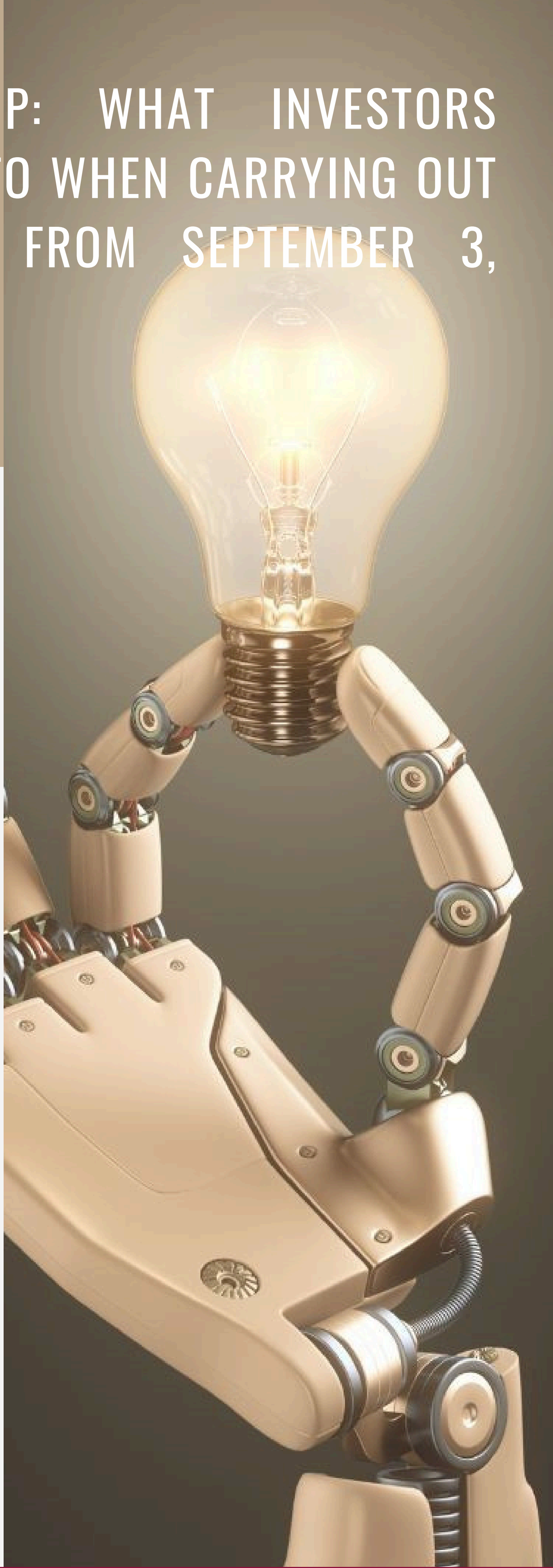
Regarding the policies for attracting capital to energy development, Resolution 70 emphasizes the need to establish a mechanism to provide preferential credit lines or government guarantees for important national energy projects and the necessity to prioritize investment, including large-scale, important, and urgent BOT power projects; encourage and create conditions for businesses to enhance capital mobilization through issuing domestic and foreign bonds. Accelerating the attraction of private and foreign investment, developing the green bond market, and deploying green credit; motivating businesses to participate in investing in small and medium-sized renewable energy projects, as well as self-generating and self-consuming energy projects are also important solutions proposed by the Politburo in Resolution 70.

Furthermore, for energy development contracts, it requires urgently completing the legal system for contract enforcement and dispute resolution; to establish a special mechanism for definitively handling protracted, stagnant energy development projects and contracts that cause social resource waste; and to put an end to the situation where state-owned enterprises delay payment obligations under contracts signed with private enterprises.

Thus, in the context of Viet Nam's deepening international integration, particularly in the energy sector, the issuance of Resolution 70 both represents a breakthrough in ensuring energy security and establishes a foundation to affirm the country's position within the global energy value chain. In the event that the esteemed Clients and readers may request any information or legal consultation concerning energy-related policies and regulations, NHQuang&Associates stands ready to provide further clarification, support on the relevant legal issues.

DECREE 239/2025/ND-CP: WHAT INVESTORS SHOULD PAY ATTENTION TO WHEN CARRYING OUT INVESTMENT ACTIVITIES FROM SEPTEMBER 3, 2025?

PHAN THI HOANG HAI



On September 3, 2025, the Government issued Decree 239/2025/ND-CP (**Decree 239**) amending and supplementing a number of articles of Decree 31/2021/ND-CP providing details and guidelines for the implementation of certain articles of the Law on Investment (**Decree 31**). Decree 239 takes effect from the date of promulgation, with some key contents that investors should note as follows:

Firstly, Decree 239 supplements the provision on the "electronic version" of investment application dossiers. In order to expedite the settlement of investment procedures and minimize paperwork, Decree 239 recognizes the legal validity of electronic versions of investment application dossiers, provided that the following conditions are satisfied:

- *Regarding the form*: The electronic version of the dossier must have **a digital signature** in accordance with the law on electronic transactions and bear the same legal validity as the paper dossier submitted to the Ministry of Finance and the Investment Registration Authority.
- *Regarding the content*: Investors **shall be responsible for** the accuracy, consistency, and completeness of the contents of both paper and electronic dossiers submitted to the Ministry of Finance and the Investment Registration Authority. If there is any discrepancy between the paper dossier and the electronic one, the contents of the former shall have final legal validity.

In addition, with a view to facilitating individuals and enterprises in carrying out investment procedures, investors are permitted to submit their dossiers in person, online, or via public postal services, depending on the form of receipt of each administrative procedure.

Previously, Decree 31 only stipulated the implementation of online procedures for issuing or amending the Investment Registration Certificate on the

National Investment Information Portal. Currently, with the new provision of Decree 239, online procedures have been applied to the remaining investment procedures, such as issuance and adjustment of investment policy approval, overseas investment registration certificate, etc.

Secondly, Decree 239 simplifies certain investment procedures. To reform administrative procedures and minimize costs for investors, investment procedures are amended to reduce **(i)** certain required dossier items; **(ii)** the number of dossier sets to be submitted; and **(iii)** 30% of the number of days required for dossier review. For example, the procedure for obtaining the Prime Minister's approval of investment policy has been adjusted as follows:

- *With respect to dossier items*, the requirements for certain documents have been removed, such as a copy of the list of land recovery projects approved by the provincial-level People's Council; preliminary plan for investment in construction and management of urban infrastructure inside and outside the project area, etc.;
- *With respect to the number of dossier sets to be submitted*, investors are now only required to submit **1 set of paper application dossier enclosed with an electronic copy**, instead of 8 sets of paper dossiers as previously required.
- *With respect to the time limit for dossier review*, relevant authorities consulted shall provide appraisal opinions and send them back to the Ministry of Finance within 10 days (previously 15 days) from the date of receiving the Ministry of Finance's request; the Ministry of Finance shall conduct the appraisal and prepare an appraisal report within 20 days (previously 40 days) from the date of receipt of a valid dossier; the Prime Minister shall issue an approval of investment policy within 5 days (previously 7 days) after receiving the appraisal report from the Ministry of Finance.

Thirdly, Decree 239 amends the provision on the adjustment and extension of the operation term of investment projects using outdated technology, potentially posing risks of environmental pollution or being resource-intensive. Specifically, under Decree 31, projects using machinery and equipment for production that **(i)** have commodity codes in Chapters 84 and 85 of Vietnam's Nomenclature of Exports and Imports (e.g. nuclear reactors, steam turbines, electric motors, etc.) with an age exceeding 10 years or **(ii)** fail to comply with the National Technical Regulations on safety, energy saving and environmental protection shall not have their operation term adjusted or extended. The application process of this provision has revealed a number of shortcomings, such as:

- Not all machinery and equipment over 10 years old possess outdated technology, potentially pose risks of environmental pollution, or are resource-intensive. Moreover, such machinery and equipment may be improved during the project's operation.
- The requirement to inspect each machinery and equipment when a project approaches the end of its operational term will be costly and time-consuming for businesses.
- Currently, there is still no guiding document on identifying machinery and equipment in certain fields that are over 10 years old but are not subject to outdated technology, potentially posing risks of environmental pollution or being resource-intensive. As a result, there is no basis for evaluating such machinery and equipment during the implementation of procedures for extending the operation term of investment projects.

Therefore, Decree 239 has amended this provision by **abolishing the 10-year term condition for machinery and equipment**. Accordingly, investment projects that use machinery and equipment not arranged into technological production lines with commodity codes under Chapters 84 and 85 of Vietnam's Nomenclature of Exports and Imports shall not be eligible for adjustment or extension of their operation term if falling under any of the following cases:

- The machinery and equipment fail to comply with the National Technical Regulations on safety, energy saving, and environmental protection.
- The capacity and efficiency of machinery and equipment are less than 85% of their design capacity and efficiency.
- The consumption of raw materials, materials, or energy exceeds 15% compared to the original design specification.

Fourthly, Decree 239 adjusts the provision on investment areas on the basis of arranging administrative units and organizing two-level local governments. Accordingly, areas eligible for investment incentives are determined according to the following principles:

- Where a commune-level administrative unit, prior to re-organization, qualified as an area with difficult or extremely difficult socio-economic conditions, the newly established commune shall likewise be classified as an area with difficult or extremely difficult socio-economic conditions, respectively.
- Where a newly established commune-level administrative unit is formed from multiple communes with different socio-economic conditions, the investment incentive area shall be determined by the majority principle (i.e., based on the number of constituent communes). If the number of communes with different levels of socio-economic conditions is equal, the newly established

commune shall be classified according to the area with the higher level of investment incentives. For example, where the number of commune-level administrative units classified as areas with extremely difficult socio-economic conditions and those classified as areas with difficult socio-economic conditions is equal, the newly established commune-level administrative unit shall be classified as an area with extremely difficult socio-economic conditions.

Fifthly, Decree 239 supplements a number of provisions related to investment activities in science, technology, innovation, and digital transformation to be consistent with the latest provisions of the Law on Investment (amended and supplemented in 2025), specifically:

- Certain sectors and industries are newly added to the list of those eligible for special investment incentives in the field of technology, for example: manufacture of products and provision of key digital technology services; establishment of AI data centers; development of AI systems; research and development, design, manufacture, packaging, and testing of semiconductor chip products; investment projects in digital technology within concentrated digital technology zones; and digital technology start-up projects in the digital technology industry, etc.
- Concentrated digital technology zones are additionally classified as areas with extremely difficult socio-economic conditions.

It can be seen that Decree 239 is issued for multiple objectives, including **(i)** providing detailed guidelines for the Law on Investment amended and supplemented in 2025; **(ii)** addressing difficulties and obstacles encountered in the implementation of investment laws; **(iii)** ensuring a clear legal basis for the determination of investment incentive areas in the context of the two-level local government structure; and **(iv)** updating new provisions on the development of science, technology, innovation, and digital transformation. Investors are advised to update the contents of this Decree to ensure that the investment activities are carried out in accordance with the new requirements. Should our Valued Clients and readers wish to gain a deeper understanding of the regulations and practical applications of Decree 239's new provisions, or carry out relevant investment procedures, NHQuang&Associates is ready to provide all legal advice and support that may be requested.

DRAFT LAW ON TAX ADMINISTRATION: PROMOTING DIGITALIZATION IN TAX ADMINISTRATION TO FACILITATE TAXPAYERS AND IMPROVE TAX ADMINISTRATION EFFICIENCY

TRAN THI THUY MAI

After more than five years of implementation, the Law on Tax Administration No. 38/2019/QH14 (**Law on Tax Administration 2019**) has become an important legal basis affecting the production and business activities of organizations and individuals. However, with rapid changes in the practical socio-economic development, especially the explosion of the digital economy with new business types and transaction digitalization tendency, this Law has not kept up with the development. Accordingly, a Draft Law on Tax Administration (**Draft Law**) is currently being drafted and consulted by competent agencies to overcome the inadequacies of the Law on Tax Administration 2019, and promote the modernization and comprehensive digital transformation of tax collection management. The Draft Law also aims to apply modern, interconnected, and integrated information technology to promote digital transformation in tax management with three main aspects, namely: creating favorable conditions for taxpayers, improving the effectiveness and proficiency of tax administration, and promoting the digitalization of tax management. In this Legal Newsletter, NHQuang&Associates will analyze some new provisions of the Draft Law that might affect individuals, enterprises, and organizations as follows:

*Firstly, the Draft Law **adds taxpayer subjects** to match the development of e-commerce activities and new economic models, including:*

- Enterprises with taxable incomes, foreign organizations engaged in taxable income-generating business activities, foreign organizations, and foreign individuals conducting business on e-commerce platforms who are taxpayers in accordance with the tax law;

- Organizations and individuals that deduct and pay the deducted tax amounts on behalf of taxpayers in accordance with the tax law, tax administration law, and other laws.

According to the explanation of the Draft Law, the above subjects are supplemented in accordance with the Law on Corporate Income Tax 2025 and the Law on Value Added Tax 2024, specifically: (1) Enterprises with taxable income and foreign organizations engaged in taxable income-generating business activities are taxpayers in accordance with the provisions of the Law on Corporate Income Tax 2025 while foreign organizations and foreign individuals conducting business activities on e-commerce platforms that are taxpayers in accordance with the tax law are taxpayers under the provisions of the Law on Value Added Tax 2024; and (2) Organizations and individuals that deduct and pay tax obligations on behalf of taxpayers in accordance with the provisions of tax law and other laws are included to cover organizations being foreign digital platform managers and managers of e-commerce platforms with payment functions, who are taxpayers in accordance with the Law on Value Added Tax 2024. This addition also aims to cover the subjects arising from new economic models, financial technology, artificial intelligence, virtual assets, virtual currencies, digital assets, and cryptocurrencies specified in other regulations.

The Draft Law assigns the Government to specify this clause so that the Government's Decree will regulate details about taxpayers under tax laws and other laws (if any) in order to make the policies transparent.

Secondly, the Draft Law supplements regulations on ***taxpayer classification*** *to facilitate and support them in actively complying with tax regulations*

In Article 3 of the Draft Law, taxpayers will be grouped by tax authorities according to: (i) Scale of operation and revenue; (ii) Business lines and fields of operation; (iii) Legal form, ownership, operational characteristics; and (iv) Other criteria as prescribed by the Ministry of Finance.

This is the basis for assessing tax risks and the level of taxpayers' compliance with tax laws; applying tax administration measures, tax obligation performance supervision measures, tax administration professional procedures suitable to each subgroup of taxpayers, the level of tax risks, and taxpayers' compliance history; and determining the priority regime for taxpayers in tax administration and allocation of management resources.

Such classification creates favorable conditions and promotes good compliance by taxpayers, contributes to improving management efficiency and effectiveness, and encourages voluntary compliance. Accordingly, instead of applying the same regime to all, there will be different management approaches for taxpayers with different scales, fields of operation, and compliance levels. Grouping is an important premise to design tax management procedures by risk level, thereby taking appropriate management measures such as inspection, enforcement, support, supervision, or prioritization during the implementation of administrative procedures.

Under this regulation, taxpayers will be managed by their characteristics and compliance behaviors. Good compliants may enjoy minimized procedures and priority for quick settlement, while high-risk ones shall be subject to strengthened inspection and supervision. In addition, taxpayer grouping can be implemented immediately by taking advantage of tax industry databases, information systems of invoices, declarations, financial statements, compliance history, and information from third parties. The Ministry of Finance will provide detailed guidelines for the criteria, grouping procedure, and organize implementation supervision through a centralized information technology and data system.

Thirdly, the Draft Law ***reduces the time limit for additional tax declaration from 10 years to 5 years***

According to clause 5, Article 12 of the Draft Law, if a taxpayer detects that the tax declaration dossier submitted to the tax authority contains any errors or omissions, he/she may make additional declaration to such dossier **within 5 years** from expiration of the deadline for submitting the tax declaration dossier of the tax period in which the errors are detected but before announcement of the inspection or examination decision by the tax authority or competent agency or beyond the period stated in the written request by relevant investigation agency, which asks the taxpayer not to make additional tax declaration in accordance with the Law on Organization of Criminal Investigation Agencies (*clause 1, Article 47 of the Law on Tax Administration 2019 stipulates that the time limit for supplementing tax declaration dossiers is 10 years*).

According to the Draft Law explanation, this adjustment is consistent with the statute of limitations for handling tax-related administrative violations (05 years from the date of occurrence of the violation), compliant with international practices (such countries as Singapore, Japan, Germany, Republic of Korea allow additional declaration within 03 to 05 years); enhancing taxpayers' responsibility to declare tax truthfully, fully and accurately; reducing tax authorities' storage workload of tax declaration dossiers, and facilitating quick and effective digital transformation and electronic tax record processing.

Fourthly, the Draft Law ***also amends and supplements the rights and obligations of taxpayers****, particularly:*

- Regarding the rights of taxpayers: The Draft Law adds new rights such as: the right to look up and use electronic documents (view, print, request for issuance of electronic deduction documents); the right to be prioritized in procedure handling if taxpayers are good compliants; the right to trace and adjust information when there are any discrepancies. These rights are divided into 05 groups, including the right to support, to know and explain, to protect information, to be compensated, and to be exempted from liability, and the right to adjust information.
- Regarding taxpayers' obligations: The Draft Law supplements the obligations to declare and archive records of related-party transactions (including overseas affiliates), to declare revenues from sponsorship for social enterprises, to ensure technical infrastructure for electronic transactions with tax authorities, and to pay in advance any set tax amounts despite any complaint. These additions aim to improve management efficiency, enhance transparency, and prevent evasion of tax obligations in the new context.

The Draft Law on Tax Administration is an important legal step to soon remove the difficulties and obstacles of the Law on Tax Administration 2019, at the same time meet the urgent requirements of current socio-economic development practices. Enterprises need to actively and carefully study the Draft Law and relevant guidelines by tax authorities to promptly update and implement these new tax policies. Should you need to study more about the provisions of the Draft Law or tax-related issues, feel free to contact NHQuang&Associates for further answers and support./.