

Legal Considerations for AI System Implementation in Vietnam — In Light of the Enforcement of the Law on Artificial Intelligence and Its Implementing Decree

1. Introduction

In recent years, Artificial Intelligence (“AI”) has rapidly expanded on a global scale and has been increasingly integrated into various aspects of business operations. AI is currently utilized across a broad range of functions, including customer support, internal knowledge management and retrieval, generation of documents such as contracts and internal communications, creation of images, audio, and video content, data analysis and forecasting, marketing support, and software development assistance.

Against this backdrop, Vietnam enacted the Law on Artificial Intelligence (No. 134/2025/QH15, hereinafter referred to as the “Vietnam AI Law”), which came into effect on March 1, 2026. Subsequently, Decree No. 142/2026/ND-CP (“Decree No.142”), which provides detailed guidance for the implementation of the Vietnam AI Law, came into effect on May 1, 2026.

As a result, Japanese companies operating in Vietnam that implement AI systems in their business operations are now required to establish internal frameworks addressing matters such as the management of risks associated with AI use and the development of rules governing employees’ use of AI systems.

This article therefore outlines the key legal considerations for Japanese companies operating in Vietnam when implementing AI systems in their business operations as the deployers or users.

2. Scope of Application of the Vietnam AI Law

The Vietnam AI Law applies to multiple entities involved in AI activities and establishes distinct responsibilities and obligations for each category of stakeholder, including Developers, Providers, Deployers, and Users.

However, for Japanese companies operating in Vietnam that implement AI systems in their business operations, the most relevant considerations generally concern the responsibilities and obligations of:

- (i) the company implementing and operating the AI system (corresponding to the “Deployer”); and
- (ii) the employees using the internal AI system (corresponding to the “User”).

Accordingly, the discussion below focuses primarily on these two categories of entities.

3. Risk-Based Approach

A key feature of the Vietnam AI Law is its adoption of a “risk-based approach,” similar to that of the EU AI Act, which came into effect in the European Union in 2024. Under this approach, AI systems are classified according to their level of risk, with different regulatory requirements and management obligations applying to each category.

An overview of the regulatory framework applicable to each risk category is set out in the table below (Articles 9 and 10[TN1.1] of the Vietnam AI Law).

Risk Classification	Definition	Required Governance Framework
High-Risk AI Systems	Systems capable of causing significant damage to the life, health, rights and legitimate interests of organizations and individuals, national interests, public interests, or national security	Notifying classification results, conducting conformity assessments and conducting periodic inspections or inspections upon identification of potential non-compliance
Medium-Risk AI Systems	Systems capable of causing confusion, influencing, or manipulating users because they do not recognize that the interacting subject is an AI system or the content is generated by the system	Notifying classification results and supervision through reports, sample testing, or assessment by independent organizations
Low-risk AI systems	Systems that do not fall under high-risk or medium-risk AI	Monitoring and inspections in the event of incidents or where necessary to ensure safety

For example, healthcare AI systems and educational AI systems are two prime examples that require more stringent risk management tailored to the specific characteristics of each field (Article 6.2 of the Vietnam AI Law). This is because these are essential areas that directly impact people's lives, health, rights and legitimate interests, as well as social order and safety. By contrast, AI systems used for internal operational support and data analysis, which merely assist users in carrying out administrative functions, are more likely to be classified as low-risk AI systems (Article 9.3 of Decree No.142).

4. Obligations of Deployers and Users

(1) Prohibited Acts Applicable to All Entities

The Vietnam AI Law prohibits developers, providers, deployers, and users from engaging in certain acts, including the following (Article 7 of the Vietnam AI Law):

- Exploiting or appropriating AI systems to commit violations of the law or regulations, thereby infringing upon the rights and legitimate interests of organizations and individuals.
- Developing, providing, deploying, or using AI systems for the following purposes:
 - ① Performing acts prohibited by the law or regulations;
 - ② Using elements of forgery or simulation of real persons or events to deceive or manipulate human perception and behavior in a purposeful and systematic manner, causing serious harm to the rights and legitimate interests of humans;
 - ③ Exploiting vulnerabilities of vulnerable groups, including children, the elderly, persons with disabilities, ethnic minorities, or persons with loss or restriction of civil act capacity, or persons with difficulties in cognition or behavior control, to cause harm to themselves or others; and
 - ④ Creating or disseminating fake content capable of causing serious danger to national security, social order, and safety.
- Collecting, processing, or using data to develop, train, test, or operate AI systems contrary to the law or regulations on data, personal data protection, intellectual property, and cybersecurity.
- Obstructing, disabling, or falsifying mechanisms for human supervision, intervention, and control of AI systems as prescribed in this Law.
- Concealing information required to be public, transparent, or accountable; erasing or falsifying mandatory information, labels, or warnings in AI-related activities.
- Abusing research, testing, evaluation, or verification activities of AI systems to commit acts contrary to the law regulations.

(2) Primary Obligations of Deployers

(a) Obligation to Ensure Transparency

A company (the “Deployer”) that implements an AI system in its business operations is required to provide clear and identifiable labeling for audio, images, or videos generated or edited by an AI system for the purpose of simulating the appearance or voice of a real person or recreating real-world events, so as to distinguish such content from authentic content (Article 11.4 of the Vietnam AI Law).

However, Decree No.142 provides that Deployers are not required to provide such labeling in the following situations (Article 18.4 of Decree No.142):

- Content that has undergone technical editing solely for the purpose of improving the quality of audio, images, or videos, provided that such editing does not alter the substance or principal context of the content.
- Text processed using tools that assist with spell-checking, grammar-checking, summarization, interpretation, or translation, provided that such processing does not distort the substantive content of the original text.
- Content used exclusively within an agency, organization, or enterprise and not made available to the public.
- Content created solely for research, development, or testing purposes within a controlled environment and not made available to the public.

In addition, the Deployer has the right to select the method of notification or display labeling according to the type of content and the manner in which such content is provided, including the following methods (Article 18.5 of Decree No. 142):

- Displaying labels directly on the content;
- Displaying labels in the title, description, or accompanying annotations of the content;
- Displaying labels on the interface of the content delivery platform; or
- Delivering notifications through audio means or other appropriate formats.

(b) Obligation to Provide Explanations to Competent Authorities

The Deployer is required to provide explanations upon receiving a written request from a competent authority. The scope, content, and timeframe for such explanations must be appropriate in light of the legal status of the relevant entity and the risk level of the AI system concerned (Articles 14 and 15 of the Vietnam AI Law; Article 16.3 of Decree No. 142).

(c) Obligation to Report Serious Incidents

In the event of a serious incident caused by an AI system that poses a risk of harm to individuals, property, data, or public order, the Deployer is responsible for recording the incident, taking necessary measures to mitigate its impact, notifying the Provider to facilitate cooperation in addressing the incident, and cooperating in providing information and implementing necessary measures for handling the matter in accordance with applicable laws (Article 12 of the Vietnam AI Law; Article 19 of Decree No.142).

In addition, where the Provider cannot be contacted, the Deployer must submit a preliminary report regarding the serious incident to the competent authority through the AI Single-Window Portal in the prescribed form within the following timeframes (Article 19.3 of Decree No.142):

- Serious incidents requiring urgent intervention or incidents beyond control: within 72 hours from confirmation of the incident;
- Other serious incidents: within 5 business days from confirmation of the incident.

(3) Primary Obligations of Users

Employees (“Users”) who utilize internal AI systems are also subject to certain obligations, depending on the risk level associated with the relevant AI system.

For example, even when using a low-risk AI system, Users may incur liability if they use the AI system for improper purposes and thereby cause harm to a third party (Article 15.2(c) of the Vietnam AI Law). Examples of such conduct may include generating unlawful content, infringing intellectual property rights, or causing the unauthorized disclosure of personal information.

Furthermore, where a User becomes aware of a serious incident involving an AI system, the User is required to report such incident to the Provider (Article 12.2(b) of the Vietnam AI Law; Article 19.2(a) of Decree No.142).

Accordingly, companies should establish internal AI guidelines for employees and clearly define matters such as prohibited uses, reporting procedures, and restrictions on the input of personal data and confidential information.

5. Transitional Measures

The Vietnam AI Law provides certain transitional measures for Providers and Deployers of AI systems that were already in operation prior to the effective date of the law (Article 35 of the Vietnam AI Law). Specifically, AI systems operating in the healthcare, educational, and financial sectors are granted a transition period of 18 months from the effective date of the Vietnam AI Law, while all other AI systems are granted a transition period of 12 months.

6. Conclusion — Key Considerations for Japanese Companies Operating in Vietnam—

As discussed above, the Vietnam AI Law and Decree No.142 impose certain obligations on both companies implementing AI systems in their business operations and employees using internal AI systems.

On the other hand, the Vietnam AI Law provides for the transitional measures discussed above. Accordingly, Japanese companies operating in Vietnam that are implementing AI systems should make effective use of the applicable transition periods to take appropriate measures, including conducting AI-related risk assessments, developing internal AI guidelines, establishing reporting systems for serious incidents, and providing employee education and training.

Furthermore, as the scope and diversity of AI applications are expected to continue expanding, Vietnam's legal framework and regulatory practices are also likely to undergo further development and evolution. Accordingly, Japanese companies operating in Vietnam should closely monitor future legislative developments and regulatory trends, while continuously reviewing and strengthening their AI governance frameworks not only from an operational perspective but also from a compliance standpoint.

THIS NEWSLETTER IS PROVIDED FOR INFORMATION PURPOSES ONLY; IT DOES NOT CONSTITUTE AND SHOULD NOT BE RELIED UPON AS LEGAL ADVICE.

Authors

Katsunori Irie

Partner

E: katsunori.irie@aplaw.jp

Thi Phong Lan Nguyen*

Of Counsel

*Not Registered as a Foreign Lawyer in
Japan

E: lan.nguyen@aplaw.jp

Taisuke Oikawa

Associate

E: taisuke.oikawa@aplaw.jp

Contacts

E-mail: ipg_vietnam@aplaw.jp

If you would like to sign up for A&S Newsletters, please fill out the [sign-up form](#).
Back issues of our newsletters are available [here](#).

Related Articles

Vietnam Legal Update on LinkedIn:









[\[Vietnam Legal Update\] "Enterprise VNeID Accounts: Key Considerations for FDI Enterprises During Vietnam's Digital Transformation"](#)

Atsumi & Sakai is a multi-award-winning, independent Tokyo law firm with a dynamic and innovative approach to legal practice; it has been responsible for a number of ground-breaking financial deal structures and was the first Japanese law firm to create a foreign law joint venture and to admit foreign lawyers as full partners. Expanding from its highly regarded finance practice, the Firm now acts for a wide range of international and domestic companies, banks, financial institutions and other businesses, offering a comprehensive range of legal expertise.

Atsumi & Sakai has an outward-looking approach to its international practice, and has several foreign lawyers with extensive experience from leading international law firms, providing its clients with the benefit of both Japanese law expertise and real international experience.

We are the only independent Japanese law firm with affiliated offices located in New York, London, Frankfurt, Brussels and Ho Chi Minh City which, together with our Tokyo office, Osaka affiliated office and Fukuoka affiliated office, enables us to provide real-time advice on Japanese law to our clients globally.

Atsumi & Sakaiwww.aplawjapan.com/en/

Tokyo Head Office Fukoku Seimei Bldg. (Reception: 16F) 2-2-2 Uchisaiwaicho, Chiyoda-ku, Tokyo 100-0011 Japan 	Osaka Affiliate Office Nakanoshima Festival Tower 16F, 2-3-18 Nakanoshima, Kita-ku, Osaka City, Osaka 530-0005 Japan 	Fukuoka Affiliate Office Tenjin Bldg. 10F 2-12-1 Tenjin, Chuo-ku, Fukuoka-shi, Fukuoka 810-0001 Japan 
New York Affiliate Office 1120 Avenue of the Americas, 4th Floor, New York, New York 10036 	London Office 85 Gresham Street, London EC2V 7NQ, United Kingdom 	Frankfurt Affiliate Office Barckhausstraße 1 (8th Floor), 60325 Frankfurt am Main, Germany 
Brussels Office CBR Building Chaussée de la Hulpe 185, 1170, Brussels, Belgium 	Ho Chi Minh Office 10F, The NEXUS building 3A-3B Ton Duc Thang Street, Sai Gon Ward, Ho Chi Minh City, Vietnam 	

NOTICES

1. ABOUT ATSUMI & SAKAI

Atsumi & Sakai is a partnership consisting of Atsumi & Sakai Legal Professional Corporation, a Japanese professional corporation, a foreign law joint venture under the Act on Special Measures Concerning the Handling of Legal Services by Foreign Lawyers with certain Registered Foreign Lawyers of our firm, and a Japanese Civil Code partnership among Japanese lawyers, represented by Yutaka Sakai, a lawyer admitted in Japan. In addition to lawyers admitted in Japan, our firm includes foreign lawyers registered in Japan to advise on the laws of the US States of New York and California, the People's Republic of China, the Republic of Korea, Taiwan, India, the Democratic Socialist Republic of Sri Lanka, England and Wales*, and the Australian States of Queensland, New South Wales and Victoria. Foreign lawyers registered in Japan to advise on state laws also are qualified to provide advice in Japan on the federal laws of their respective jurisdictions.

Atsumi & Sakai has established an office in London operating as Atsumi & Sakai Europe Limited (incorporated in England and Wales (No: 09389892); sole director Naoki Kanehisa, a lawyer admitted in Japan), an office in Brussels operating as Atsumi & Sakai Brussels EU (incorporated in Belgium; managing partner: Etsuko Kameoka, a lawyer admitted in New York and registered with the Brussels Bar Association (B-List)**), an affiliate office in New York operating as Atsumi & Sakai New York LLP (a limited liability partnership established in New York; managing partner Bonnie L. Dixon, a lawyer admitted in New York and a Registered Foreign Lawyer in Japan), and an office in Ho Chi Minh City operating as Atsumi & Sakai Vietnam Law Firm (incorporated in Vietnam; sole director Katsunori Irie, a lawyer admitted in Japan). We also have a partnership with A&S Osaka LPC (partner: Teiji Maehashi, a lawyer admitted in Japan) and A&S Fukuoka LPC in Japan (partner: Yasuhiro Usui, a lawyer admitted in Japan) and an affiliate office in Frankfurt operating as Atsumi & Sakai Europa GmbH - Rechtsanwälte und Steuerberater, a corporation registered in Germany providing legal and tax advisory services (local managing director: Frank Becker, a lawyer admitted in the Federal Republic of Germany**).

*Atsumi & Sakai is not regulated by the Solicitors Regulation Authority for England and Wales.

**Not Registered as a Foreign Lawyer in Japan

2. LEGAL ADVICE

Japanese legal advice provided by Atsumi & Sakai and our global offices is provided by lawyers admitted in Japan. Advice provided in Tokyo in respect of any foreign law on which one of our foreign lawyers is registered in Japan to advise, may be provided by such a Registered Foreign Lawyer. None of Atsumi & Sakai Legal Professional Corporation, Atsumi & Sakai Europe Limited or Mr. Yuka Nakanishi is regulated by the Solicitors Regulation Authority for England and Wales, and none will undertake any reserved legal activity as defined in the United Kingdom Legal Services Act 2007. Advice provided in Germany on the laws of Germany will be provided by a lawyer admitted in Germany, and advice provided in New York on the laws of New York will be provided by a lawyer admitted in New York.