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Key points of the Vietnam Data Law

1. Introduction

With the rapid growth of the data industry worldwide in recent years due to the development of the Internet of Things (IoT) and Artificial Intelligence (AI), the utilization of data is becoming increasingly important in Vietnam. The Vietnamese government has been actively promoting the development of the data industry by implementing the revised Law on Telecommunications (No.24/2023/QH15) on July 1, 2024, clarifying regulations regarding data center services, cloud services etc¹.

On November 30, 2024, the Vietnamese National Assembly passed the country's first comprehensive Law on Data (No.60/2024/QH15, the "Data Law"). The Data Law will take effect on July 1, 2025 and will establish a new legal framework for the management and use of data in Vietnam.

This article provides an overview of the Data Law, while also considering the related draft decree that is currently accessible to the public by the public comment process.

2. Overview of Data Methods

(1) Applicable entities and data

The entities covered by the Data Law include not only institutions, organizations, and individuals in Vietnam, but also foreign institutions, organizations, and individuals directly engaged in or related to digital data activities in Vietnam (Article 2 of the Data Law). Thus, companies not based in Vietnam may also be subject to the Data Law.

However, the Data Law does not clearly define "digital data activities", and it is unclear at this time under what circumstances the Data Law will extend to companies not based in Vietnam.

Also, unlike the Personal Data Protection Decree of 2023 (No.13/2023/ND-CP), data covered by the Data Law is not limited to information used to identify specific individuals (Article 3, paragraph 1 of the Data Law), but the data of things, facts, and events represented digitally.

(2) Obligation to provide data to the Vietnamese government

Organizations and individuals are obliged to provide data to State authorities upon request from competent authorities without the consent of the data subject in the following cases: (Article 18, paragraph 2 of the Data Law)

- > Response to an emergency;
- When there is a threat to national security but not to the extent of declaring a state of emergency;
- Disasters; or

¹ Article 3, from paragraph 9 to 11 of the Revised Telecommunications Business Law

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Prevention and combat of riots and terrorism.

On the other hand, State authorities receiving data have the following responsibilities: (Article 18, paragraph 3 of the Data Law)

- Using data for appropriate purposes;
- Ensuring data security, data protection, and other legitimate interests of data subjects, organizations, and individuals providing data in accordance with law regulations;
- > Deleting data immediately when it is no longer necessary for the requested purpose and notifying the data subject, organization, or individual that provided the data; and
- Notifying the storage and use of data upon request from the organization or individual providing the data, except in cases of protecting state secrets and work secrets.

To sum up, the Vietnamese government is obliged to properly use the data provided under the above provisions of the Data Law. However, since there is a wide range of data that could be covered by the Data Law, it cannot be ruled out that foreign companies may be forced to disclose sensitive information in the future at the request of state agencies².

(3) Cross-border data transfers and processing

The Data Law provides for the transfer of data from Vietnam across borders, but the details of this provision are left to the Decree or other regulations (Article 23, paragraphs 2 and 4 of the Data Law).

	When transferring data from Vietnam to other countries	
Eligibility	Core data and important data (see 3. of this newsletter)	
Applicable Situations	 Transferring data stored in Vietnam to data storage systems located outside the territory of Vietnam Vietnamese authorities, organizations, and individuals transferring data to foreign organizations and individuals Vietnamese authorities, organizations, and individuals using platforms outside the territory of Vietnam to process data 	
Obligations	Details will be defined by the Decree or other regulations (see 3. of this newsletter).	

(Source: Prepared by the author)

(4) Regulations on products and services related to data

The Data Law establishes regulations for products and services related to data intermediary activities, data analysis and aggregation, electronic authentication, and data platforms, respectively.

According to the provision of data platform services³, this service can only be served by public non-business units and state-owned enterprises, which is expected to have a significant impact on companies considering the development of similar businesses.

However, the Data Law does not specifically regulate these products and services, with a few exceptions, and the details will be defined by the Decree or other regulations.

² The Data Law stipulates that the obligation to provide data to the Vietnamese government is to be detailed separately (Article 18, paragraph 4 of the Data Law). Accordingly, Article 8 of the Draft Enforcement Decree stipulates the details of such provision.

³ "Organizations providing data platform services are public non-business units and state-owned enterprises that meet the conditions for providing services and are licensed to be established in accordance with law regulations." (Article 42, paragraph 2 of the Data Law)

3. Summary of relevant draft decrees

The Vietnamese government had published some draft legal documents to detail and provide guideline for implement the Data Law for public hearing (on 16 January 2025)4. As of this writing (31 March, 2025), a newer draft version of these legal documents submitted for assessment by the Ministry of Justice and represented at the website of this Ministry⁵, including:

- draft decree detailing some provisions of the Data Law ("Draft Enforcement Decree");
- draft Decision of the Prime Minister on Core Data and Important Data List ("Draft List Decision");
- Draft decree on data products and services ("Draft Products & Services Decree"); and
- Draft decree on National Data Development Fund ("Draft Fund Decree")

(1) List of core data/important data

The Draft List Decision lists out total 44 types of data that fall under core data and important data⁶. An excerpt of the list is as follows

Core data ⁷		Important data ⁸
	Unpublished Data related to national defense Unpublished data related to operation of the [Communist] Party Unpublished data on Foreign Affairs-related data Unpublished Data on civil servants and military personnel and cipher agencies' personnel Unpublished data on water resources and rare minerals collected and managed by state agencies Unpublished geospatial data, aerial photos data, remote sensing data serving national defense purpose; Unpublished land data collected and	 Unpublished data related to inspection activities, response to complaints and accusations, and prevention and eradication of corruption Unpublished data on transportation collected and managed by government agencies Unpublished data on science and technology and nuclear energy, radiation and nuclear safety activities collected and managed by state agencies Data in the areas of finance and budget Data on agriculture and rural development collected and managed by state agencies Data on strategic industries, materials and goods
	managed by state agencies	Unpublished biosafety data
A A	Unpublished data on marine areas and islands collected and managed by national agencies Unpublished data in the areas of finance and budget Unpublished data on the volume of seafood and marine fishing vessels and areas of operation collected and managed by state agencies	 Unpublished data on outward investment by the State-owned enterprises Data from the information and communication Technology sector Data of persons and organizations, including: data on biometric records, health records, public welfare information, personal credit and finance data, insurance status and claims, academic performance,

⁴ Public Comment on Draft Enforcement Decree: https://chinhphu.vn/du-thao-vbqppl/du-thao-nghi-dinh-quy-dinh-chitiet-mot-so-dieu-va-bien-phap-thi-hanh-luat-du-lieu-du-thao-2-7243 (last viewed on April 8, 2025)

Public Comment on Draft List Decision: <a href="https://chinhphu.vn/du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-vbqppl/du-thao-quyet-dinh-cua-thu-tuong-chinh-du-thao-vbqppl/du-thao-vbqpp phu-ban-hanh-danh-muc-du-lieu-quan- trong-du-lieu-cot-loi-7252 (last viewed on April 8, 2025)

5 Draft Enforcement Decree: TLTĐ dư thảo N của Chính phủ quy đinh chi tiết một số điều và biện pháp thi hành Luật Dữ

liêu (last viewed on April 8, 2025)

Draft List Decision: HSTĐ dự thảo Quyết định của Thủ tướng Chính phủ ban hành Danh mục dữ liệu quan trọng, dữ liệu cốt lõi (last viewed on April 8, 2025)

Draft Products & Services Decree: TLTD DT ND quy định hoạt động khoa học, công nghê, đổi mới sáng tạo, sản phẩm, dịch vu về dữ liệu (last viewed on April 8, 2025)

Draft Fund Decree: Tài liêu thẩm đinh dư thảo Nghi đinh về quỹ phát triển dữ liêu quốc gia (last viewed on April 8, 2025) ⁶ In addition to the Draft List Decision, the Draft Enforcement Decree stipulates criteria for determining core and critical data (Articles 3 and 4 of the Draft Enforcement Decree).

⁷ Article 1 of the Draft List Decision

⁸ Article 2 of the Draft List Decision

- Unpublished data on plans, strategies, projects, and development projects related to ethnic minorities collected and managed by state agencies
- Unpublished data on the activities of the People's Court, the People's Procuratorate, and the State Audit Office
- Unpublished data on national energy, plans, strategies, projects, and national energy development projects collected and managed by the state
- Unpublished data on health collected and managed by the State including: the number of people infected and dying from newly emerging dangerous infectious diseases with unknown pathogen, other data about newly emerging dangerous infectious diseases
- Data of person and organizations, including: data on biometric records, health records, public welfare information, personal credit and finance data, insurance status and claims, academic performance or sensitive information of over 100,000 Vietnamese citizens, basic personal data of more than 10,000 Vietnamese citizens or credit and financial status of over 10,000 organizations

- sensitive information or basic personal data of over 10,000 Vietnamese citizens or credit and financial status of over 1,000 organizations
- Unpublished data on investigative and prevention activities of crime, national security violations, and administrative violations
- Data on works, performances, sound recordings, video recordings, and broadcasts owned by the State or for which the State represents the rights holder.
- Unpublished data on disease prevention and quarantine activities of state agencies
- Unpublished data on education and vocation, labor, welfare fund, environmental investigation and accidents
- Other unpublished data on state management activities

(2) Cross-border data transfers of core/important data

The Draft Enforcement Decree stipulates that institutions, organizations, and individuals transferring core data from Vietnam to overseas shall have the following obligations (Article 12 of the Draft Enforcement Decree):

- Perform a risk self-assessment for each data recipient on certain matters, such as validity, method of transfer and processing data, risk of data tampering, destruction, leakage, loss;
- Install measures and techniques for data protection by recipient;
- Prepare an impact assessment report (IAP);
 In the case of core data, IAP must be submitted to the Ministry of Public Security or the Ministry of Defense for approval before transfer data abroad
 In case of important data, an IAP does not need to be submitted for approval of the Ministries before transfer, but it needs to be submitted to the Ministries within 30 days afterward; and
- Enter into a written agreement or contract containing compulsory provisions with foreign data recipients.

(3) Obligations of Owner of core/important data

The owner of core/important data shall be subject to various obligations, including among others, the following key items:

> Create records of processing activities and archive those records for at least 6 months (Article 18, paragraph 10 of the Draft Enforcement Decree);

Evaluate the potential risks associated with data processing activities on a yearly basis and report the Ministry of Public Security or the Ministry of Defense before November 11 every year (Article 18, paragraph 11 of the Draft Enforcement Decree); and

Appoint a person and a unit to oversee data protection (Article 19, paragraph 1 of the Draft Enforcement Decree).

(4) Specific regulations on doing business with respect to data products and services

Suppliers of data intermediary products and services between state agencies and service users must be fully registered and licensed upon satisfying strict conditions regarding facilities, personnel, finances and organizational structure (Article 26 of the Draft Products & Services Decree). However, it is optional for other providers to apply for appraisal and certification by the Ministry of Public Security (MPS) in order to be entitled to investment incentive packages (Article 24 of the Draft Products & Services Decree). With respect to data analysis and aggregation services, obtaining an industrial license is mandatory for suppliers whose services meet any of the following criteria (Article 29, paragraph 1 of the Draft Products & Services Decree):

- (a) services wholly processed by AI, with or without human supervision;
- (b) services connected to national database or a specialized database; or
- (c) services using core/important data.

Suppliers of some other data analysis and aggregation services may opt to apply to MPS for appraisal and certification to enjoy investment incentives (Article 29, paragraph 2 of the Draft Products & Services Decree).

Data platforms may involve various activities, including supply of data resources, data auction services, environments for data trading and exchange and data-related products and services, as well as other services related to bidding, offering, introducing, representation, support and others (Article 33 of the Draft Products & Services Decree). However, private sector entities are currently prohibited from engaging in these Data platform services.

Data services and products not elsewhere specified or insufficiently regulated must undergo an examination period controlled by the State authorities (Article 3, paragraph 2 and Article 9 of the Draft Products & Services Decree).

(5) Establishment of the National Data Development Fund

The Establishment of the National Data Development Fund has the function to promote the development and application of artificial intelligence (AI), cloud computing, blockchain, Internet of Things (IoT), and other new technologies and innovations for national and public interests (Article 3 and 4 of the Draft Fund Decree).

The Fund will (a) provide preferential loans, (b) grant expenses to organizations, individuals and enterprises that carry out researches, business projects using IP or new data-related business models; and (c) provide capacity-building supports; and make other investments in data-related start-ups (Chapter IV of the Draft Fund Decree).

The state budget guarantees a minimum contribution of 1,000 billion VND and additional amounts to keep this contribution amount at 1,000 billion VND at beginning of every fiscal year (Article 8 of the Draft Fund Decree).

4. Conclusion

As described above, the Data Law can apply to Japanese companies that do not have an office in Vietnam, including crucial obligations to provide data to the Vietnamese government and cross-border data regulations, which is expected to have a significant impact on the data management and processing of Japanese companies. It is important for Japanese companies doing business in relation to Vietnam to closely monitor the latest trends in laws and regulations, including the implementation of relevant government decrees and the accumulation of practical experience, and to develop appropriate data strategies.

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