



**INDOCHINE
COUNSEL**
Business Law Practitioners

Client Guide

International Trade Guide

October 2026



Table of Contents

ABBREVIATION	1
INTRODUCTION: VIETNAM IN THE GLOBAL TRADE LANDSCAPE	2
TRADE INTEGRATION FRAMEWORK: WTO & FREE TRADE AGREEMENTS	3
WTO Accession Commitments	3
Trade in Goods	3
Trade in Services	4
Network of Free Trade Agreements	5
EU-Vietnam Free Trade Agreement (EVFTA)	5
Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)	6
Regional Comprehensive Economic Partnership (RCEP)	6
INTERNATIONAL TRADE DISPUTES & REMEDIES	8
Vietnam's Engagement with the WTO Dispute System	8
Domestic Trade Remedies	8
INTERNATIONAL COMMERCIAL CONTRACTS	9
Governing Law and International Principles	9
Conditions for Contract Validity	9
Commercial Remedies	9
INTERNATIONAL SALE OF GOODS & LOGISTICS	11
International Trade Usages	11
Customs Valuation	11
INTERNATIONAL FRANCHISING & TECHNOLOGY TRANSFER	12
Integration and Intellectual Property Protection	12
Governing Framework	12
INTERNATIONAL PAYMENTS, FOREX CONTROL & FINTECH	13
Payment Methods and Foreign Exchange Rules	13
Digital Assets and Fintech	13
DISPUTE SETTLEMENT IN INTERNATIONAL BUSINESS	14
Commercial Arbitration	14
Recognition and Enforcement of Awards	14
CONCLUSION	15
CONTACT US	16

Abbreviation

ADR	Alternative Dispute Resolution
CBDC	Central bank digital currency
CISG	United Nations Convention on Contracts for the International Sale of Goods
CPC	Central Product Classification
FTAs	Free Trade Agreements
GATS	General Agreement on Trade in Services
GATT 1994	General Agreement on Tariffs and Trade 1994
ILO	International Labour Organization
MFN	Most-Favoured Nation
PICC	UNIDROIT Principles of International Commercial Contracts
TRIPS	Trade-Related Aspects of Intellectual Property Rights
UCP 600	Uniform Customs and Practice for Documentary Credits
VIAC	Vietnam International Arbitration Centre
WTO	World Trade Organization

Introduction: Vietnam in the Global Trade Landscape

1

Amid the ongoing restructuring of global supply chains and the diversification of manufacturing bases, Vietnam has emerged as an increasingly important manufacturing and trading hub in the Asia-Pacific region. Political stability coupled with a flexible, multilateral diplomatic orientation has strengthened Vietnam's attractiveness as a destination for international trade and foreign investment.

2

Vietnam's international integration framework is supported by broad diplomatic relations together with its commitments under the World Trade Organization (WTO) and numerous bilateral and multilateral free trade agreements. These commitments have contributed to greater transparency, market openness, and legal certainty for cross-border commercial activities.

3

At the domestic level, Vietnam has continued to refine its legal and regulatory framework governing foreign investment, customs, taxation, foreign exchange, intellectual property, and dispute resolution to implement its international commitments and improve the business environment. While these developments have enhanced legal predictability for investors, businesses should remain aware that regulatory policies, administrative practices, and sector-specific licensing requirements continue to evolve. Careful legal and regulatory due diligence therefore remains essential when establishing or expanding operations in Vietnam.

4

Against this backdrop, understanding Vietnam's international trade commitments, domestic regulatory framework, and practical enforcement landscape is critical for businesses seeking to manage legal risks and achieve sustainable long-term success in the Vietnamese market.

Trade Integration Framework: WTO & Free Trade Agreements

5

Vietnam's international trade regime is structured around two pillars: multilateral commitments under the World Trade Organization (WTO) and the Free Trade Agreements between Vietnam and countries (FTAs).

WTO Accession Commitments

6

Vietnam's commitments under the WTO provide the legal foundation for its international trade regime, promoting market access, transparency, and non-discrimination. Since joining the WTO, Vietnam has progressively aligned its domestic legislation with WTO rules, particularly through the enactment and amendment of the Law on Foreign Trade Management, the Law on Investment and other relevant legislation.

Trade In goods¹

7

Vietnam has bound tariff commitments covering its entire tariff schedule and has substantially completed its tariff reduction commitments. While the WTO establishes the maximum tariff rates (bound rates) that Vietnam may apply, the actual import duties imposed in practice may be lower under Vietnam's domestic tariff schedule or preferential tariff commitments under its FTAs. In particular:

- ✓ Number of bound tariff lines: The entire tariff schedule, comprising 10,600 tariff lines;
- ✓ Average tariff reduction across the entire tariff schedule: Approximately 23%, from an average rate of 17.4% in 2006 to 13.4%, to be implemented progressively over a period of 5 - 7 years;
- ✓ Number of tariff lines subject to tariff reductions: Approximately 3,800 tariff lines (representing 35.5% of the total tariff lines in the tariff schedule). Product groups subject to the most significant tariff reductions include textiles and garments, fish and fish products, wood and paper products, other manufactured goods, electrical and electronic machinery and equipment, meat products (including pork and beef), and by-products;
- ✓ Number of tariff lines maintained at the prevailing tariff rates (bound with no further tariff increases): Approximately 3,700 tariff lines (representing 34.5% of the total tariff lines in the tariff schedule); and
- ✓ Number of tariff lines bound at ceiling rates (bound at rates higher than the prevailing applied tariff rates): 3,170 tariff lines (representing approximately 30% of the total tariff lines in the tariff schedule), primarily covering products such as petroleum products, metals, chemicals, and certain means of transport.

1

<https://trungtamwto.vn/chuyen-de/1447-cac-cau-hoi-lien-quan-den-cac-cam-ket-thue-quan-doi-voi-hang-hoa-nhap-khau-cua-viet-nam-trong-wto>.

8 While tariff quotas have been removed for the majority of agricultural products, certain items (e.g., sugar, poultry eggs, salt, tobacco leaf) remain subject to quota-based management.

9 In addition to tariff reductions, Vietnam has also committed to participating in several WTO sectoral agreements covering information technology products, textiles and apparel, medical equipment, aircraft equipment, chemicals, and construction equipment, which provide for substantial tariff reductions, with many products benefiting from a 0% tariff rate.

Trade In services²

10 Vietnam's WTO commitments on services are set out under the following three categories of provisions, which apply in the order of priority specified below:

Schedule of Specific Commitments in Services of Vietnam

11 Vietnam has undertaken market access commitments in 11 service sectors comprising 110 service subsectors. Therefore, foreign service suppliers investing in Vietnam may be subject to the following conditions and market access restrictions:

- ✓ Number of service suppliers (i.e., Taxation services (CPC 863));
- ✓ Minimum investment capital requirement (i.e., Hospital services, medical and dental services (CPC 931));
- ✓ Number of natural persons that may be employed (i.e., Maritime transport services (CPC 721));
- ✓ The specific type of legal entity or joint venture through which a service supplier may supply a service (i.e., Legal services (CPC 861)); and
- ✓ The participation of foreign capital, including the maximum percentage limit on foreign shareholding in a joint venture (i.e., Advertising services (CPC 871), telecommunication services (CPC 752)).

Transparency and Non-Discrimination Commitments set out in the Services Section of the Report of the Working Party on the Accession of Vietnam to the WTO³

12 In addition to its specific commitments, Vietnam is required to comply with the WTO's general principles, including Most-Favoured Nation (MFN) treatment, transparency, and non-discrimination. These principles require Vietnam to publish trade-related regulations, ensure equal treatment among WTO members, and maintain a transparent legal framework for international trade and investment.

² <https://trungtamwto.vn/upload/files/wto/7-/25-van-kien/Cam%20ket%20chung%20ve%20Dich%20vu.pdf>.

³ <https://fta.gov.vn/index.php?r=site%2Fdetail&id=1945>.

General Agreement on Trade in Services (GATS)⁴

13 GATS sets out a number of general obligations relating to trade in services that are binding on all WTO Members. As a WTO Member, Vietnam is also required to comply with and implement these obligations:

- ✓ Most-Favoured Nation (MFN) Treatment Obligation: Vietnam is required to accord equal treatment in respect of policies, taxation, regulations, procedures, etc., to service suppliers from different countries, provided that such countries are WTO Members; and
- ✓ Transparency Obligation: Vietnam shall publish all regulations, requirements, and procedures affecting trade in services and make them available to WTO Members. In addition, Vietnam shall make draft legal normative documents (including laws, ordinances, decrees, and similar legislative instruments) publicly available for comments from relevant organizations and individuals.

14 These principles ensure that imported goods and foreign-invested enterprises receive treatment no less favorable than domestic entities in respect of taxes, fees, and technical regulations.

Network of Free Trade Agreements

15 Vietnam implements a broad spectrum of new-generation FTAs, extending well beyond tariff liberalization to incorporate regulatory alignment, non-tariff measures, and sustainable development obligations.

EU-Vietnam Free Trade Agreement (EVFTA)⁵

16 EVFTA provides a comprehensive framework for trade and investment between Vietnam and the European Union (27 countries), covering trade in goods and services, investment, customs and trade facilitation, intellectual property, government procurement, and sustainable development.

17 With respect to substantial tariff liberalization, the EU has eliminated most tariff lines applied to Vietnamese imports, while Vietnam follows a phased elimination schedule for EU imports, particularly for sensitive products such as automobiles and alcoholic beverages.

18 The Parties undertake not to impose export taxes, except that Vietnam reserves the right to apply export duties on 526 tariff lines covering certain important minerals and raw materials (such as crude oil and coal), subject to a maximum rate of 20% for a period not exceeding five (5) years. Preferential tariff treatment is subject to the applicable rules of origin and documentary requirements. Accordingly, exporters should ensure that goods satisfy the relevant origin criteria and that supporting origin documentation is properly maintained.

⁴ <https://trungtamwto.vn/upload/files/wto/7-/25-van-kien/Cam%20ket%20chung%20ve%20Dich%20vu.pdf>.

⁵ Key commitments under the EVFTA, <https://fta.gov.vn/index.php?r=site%2Fcontent&id=158>.

19

Vietnam has undertaken commitments to facilitate EU investors' access to the Vietnamese market in various service sectors, including banking, insurance, telecommunications, transportation, and distribution services, subject to the specific conditions and limitations set out in each Agreement and Vietnamese law.

20

EVFTA also establishes disciplines on customs and trade facilitation, technical barriers to trade, sanitary and phytosanitary measures, intellectual property, government procurement, and sustainable development. These commitments are increasingly relevant to businesses seeking to access the EU market and should be considered alongside applicable Vietnamese and EU regulation. Therefore, for businesses trading with or investing in the EU, compliance with the EVFTA's rules of origin, customs requirements, and sector-specific commitments is essential to effectively benefit from the Agreement's preferential treatment.

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

21

CPTPP (including Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, and the United Kingdom (UK)) establishes high-standard commitments surpassing the WTO framework, covering tariff liberalization, services, digital trade, labour, and environmental standards.

22

CPTPP provides for the progressive elimination of tariffs on substantially all trade in goods among its members. For Vietnamese exporters, key products such as textiles, garments, and footwear benefit from tariff elimination according to agreed schedules, while Vietnam has also committed to progressively reduce tariffs on imports from other CPTPP members, subject to specific transition periods and exceptions for sensitive products.

23

CPTPP also facilitates digital trade by providing for non-discriminatory treatment of digital products, cross-border transfers of information by electronic means, and restrictions on requirements to locate computing facilities within a member's territory.

24

CPTPP also contains enhanced commitments on labour and environmental standards that should be considered when assessing market access and supply-chain compliance.

Regional Comprehensive Economic Partnership (RCEP)⁶

25

RCEP comprises 15 member states, including the 10 ASEAN member states and five FTA partners, namely China, Japan, the Republic of Korea, Australia, and New Zealand.

26

With respect to trade in goods and tariffs, the RCEP aims to eliminate tariffs on at least 92% of import tariff lines among its member states within 20 years. The tariff schedule that Vietnam grants to its RCEP partners is, in

⁶ Summary of RCEP Agreement, <https://trungtamwto.vn/file/20686/tom-luoc-rcep—moit.pdf>.

principle, equivalent to or no more liberal than the tariff commitments already undertaken under the existing ASEAN+1 FTAs. For certain sensitive products, such as petroleum products, tobacco, beer, and completely knocked down (CKD) automobiles, Vietnam continues to apply specific tariff elimination schedules or maintain tariff-rate quotas, as applicable.

27

The true cornerstone of the RCEP for Vietnam lies in the harmonization of rules of origin across the ASEAN+5 region. The Regional Cumulation mechanism allows materials originating in any RCEP member to qualify as originating inputs, significantly easing compliance for exporters seeking preferential tariff treatment.

International Trade Disputes & Remedies

28

Technical measures and government-imposed trade remedies are central to risk management in global trade. Vietnam has increasingly engaged in WTO dispute settlement and refined its domestic trade remedy framework to ensure consistency with international obligations.

Vietnam's Engagement with the WTO Dispute System

29

Vietnam is an active participant before the WTO Dispute Settlement Body (DSB), and it has initiated cases challenging what it contends to be unreasonable trade remedy measures by trading partners, including disputes concerning the “Zeroing” methodology in anti-dumping investigations⁷. These actions reflect Vietnam’s growing institutional capability in protecting national trade interests.

30

To secure continued access to an independent appellate mechanism amid the paralysis of the WTO Appellate Body, Vietnam has participated in WTO dispute settlement mechanisms and has supported efforts to preserve an effective appellate function, including through the Multi-Party Interim Appeal Arbitration Arrangement (MPIA) framework where applicable⁸. This arrangement provides an alternative appellate pathway for disputes involving other participating MPIA members.

Domestic Trade Remedies

31

The Trade Remedies Authority of Vietnam (TRAV) is empowered to conduct anti-dumping (AD), countervailing (CVD), and safeguard investigations. A growing area of scrutiny involves circumvention investigations. To mitigate associated risks, the Government has strengthened oversight of origin fraud and imposed stringent requirements on traceability and substantial transformation, especially for enterprises integrated into global production networks.

⁷ https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds536_e.htm.

⁸ Vietnam officially joined the MPIA on 16 October 2025.

International Commercial Contracts

32

International commercial contracts constitute the backbone of cross-border business transactions. Vietnam's regulatory framework - primarily anchored in the Commercial Law 2005 and the Civil Code 2015 - has been progressively aligned with international instruments, such as the United Nations Convention on Contracts for the International Sale of Goods (CISG), to ensure high predictability and legal certainty in cross-border transactions.

Governing Law and International Principles

33

Where a contract contains a foreign element, the parties may generally agree on the applicable law and international commercial practices, such as Incoterms or UCP 600, subject to Vietnamese mandatory rules. In the absence of such agreement, the applicable law is determined in accordance with Vietnam's rules on conflict of laws, which may take into account the closest connection between the transaction and a particular jurisdiction.

34

Furthermore, Vietnamese courts and arbitral tribunals increasingly refer to the UNIDROIT Principles of International Commercial Contracts (PICC) as a supplementary interpretative source, particularly where national law is silent.

Conditions for Contract Validity

35

A contract is enforceable where the following conditions are met:

- ✓ Capacity: The contracting parties must possess civil legal capacity and authority. Accordingly, each party must have a legal capacity to enter into the contract, and the person signing the contract must have appropriate authority to bind the relevant party;
- ✓ Purpose and Content: The transaction must not violate legal prohibitions or contravene public order or morals;
- ✓ Consent: The contract must be concluded voluntarily. Contracts concluded as a result of fraud, coercion, or misrepresentation are subject to being declared null and void; and
- ✓ Form: International sales of goods contracts involving a Vietnamese entity must generally be executed in written form or an equivalent electronic data message.

Commercial Remedies

36

Under commercial regulations, available remedies include specific performance, such as: penalties, damages, limitation on damages, mitigation, suspension, dispute resolution or cessation of performance, and contract termination.

37

A breaching party is statutorily exempted from legal liability in cases involving: (i) force majeure events, (ii) breaches caused entirely by the fault of the aggrieved party, or (iii) compliance with mandatory directives issued by competent state authorities.

International Sale of Goods & Logistics

38

Vietnam's international sale of goods transactions are increasingly governed or informed by international instruments and trade rules, including the CISG and Incoterms® 2020.

International Trade Usages

39

Incoterms® 2020 is widely used in Vietnam to define delivery obligations, logistics responsibilities, and timing of risk transfer. Enterprises increasingly tailor Incoterms® selections to transport modes to better manage risk and control logistics costs.

40

For transactions settled by documentary credit (L/C), compliance with UCP 600 is a prerequisite for the documents to be accepted by the issuing or negotiating bank. Therefore, exporters should ensure that shipping documents, including Bills of Lading, are consistent with the requirements of the L/C to minimize the risk of discrepancies and payment refusal.

Customs Valuation

41

Vietnam fully applies the WTO Customs Valuation Agreement, under which the primary basis for customs valuation is the transaction value - the price actually paid or payable. Importers shall accurately declare all dutiable additions such as royalties and assists to avoid assessments during post-clearance audits.

42

Where the importer and exporter are related parties, businesses should carefully assess whether the relationship has influenced the declared customs value and ensure consistency between customs valuation and transfer pricing positions.

International Franchising & Technology Transfer

43

Franchising and technology transfer play important roles in enabling Vietnam to access global know-how and advanced technologies. These activities are subject to Vietnamese regulations on intellectual property, franchising, technology transfer, and foreign exchange.

Integration and Intellectual Property Protection

44

Vietnam is a member of major international IP treaties, including the Paris Convention, the Berne Convention, and Madrid systems. Domestic legislation incorporates TRIPS-consistent standards, while CPTPP and EVFTA commitments have elevated protections to “TRIPS-plus” levels with enhanced enforcement mechanisms.

Governing Framework

45

Vietnamese law generally recognizes contractual freedom in franchising and technology transfer, subject to applicable disclosure, registration, and regulatory requirements.

46

Franchising arrangements should address key matters such as intellectual property rights, disclosure obligations, fees, quality control, and termination. Technology transfer laws encourage high-tech and green technologies and restrict obsolete or low-quality technologies or potentially harmful technologies.

47

Depending on the type of technology, parties, and transaction structure, a technology transfer may be subject to registration or other regulatory requirements, particularly where restricted technologies or state-funded capital are involved.

International Payments, Forex Control & Fintech

48

Vietnam's legal framework for payments and foreign exchange continues to evolve alongside the development of digital business models, while maintaining controls over domestic currency and cross-border capital flows.

Payment Methods and Foreign Exchange Rules

49

Vietnam's banking system aligns with global standards and is transitioning to ISO 20022 for SWIFT communications. As a general principle, transactions and payments within Vietnam must be quoted and settled in Vietnamese Dong (VND), subject to narrow exceptions permitted by Vietnamese foreign exchange regulations.

50

Cross-border payments and foreign currency transactions are generally subject to applicable foreign exchange and banking regulations, including requirements relating to supporting documents, authorized credit institutions, and reporting or account arrangements where applicable.

51

Notably, the Government is studying pilot mechanisms in certain priority zones to develop its financial infrastructure and regulatory framework to support digital payments and international financial activities, including initiatives relating to international financial centres and specialized foreign exchange measures⁹.

Digital Assets and Fintech

52

Cryptocurrencies and other digital assets are not recognized as legal tender or lawful means of payment under the laws of Vietnam. However, from 1 January 2026, the Law on Digital Technology Industry (provision of digital assets and virtual asset service providers) and its guidelines officially have taken effect, recognizing the existence of digital assets, encompassing forms of virtual assets and crypto-assets used for investment or exchange.

53

Therefore, enterprises operating in the fintech and digital asset sectors should carefully assess licensing, payment, foreign exchange, data, cybersecurity, tax, and anti-money laundering requirements applicable to their specific business models in accordance with the applicable laws.

⁹ <https://tapchikinhdothai.vn/thiet-ke-co-che-ngoai-hoi-dac-thu-de-thu-hut-dong-von-qua-trung-tam-tai-chinh-quoc-te-161121.html>.

Dispute Settlement in International Business

54

Vietnamese enterprises increasingly prefer Alternative Dispute Resolution (ADR), particularly commercial arbitration, which is widely used in cross-border transactions because of its flexibility and mechanisms, driven by the need for confidentiality, neutrality, and procedural efficiency.

Commercial Arbitration

55

Commercial arbitration has emerged as a leading method for resolving disputes in cross-border business transactions. The Vietnam International Arbitration Centre (VIAC) and other arbitral institutions have modernized their procedures, including the adoption of online case management systems. Parties remain free to choose an international arbitral institution or apply the UNCITRAL Arbitration Rules. However, the choice of the seat of arbitration warrants careful consideration, as it directly affects the ability to recognize and enforce the resulting award.

Recognition and Enforcement of Awards

56

Vietnam is a party to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. Foreign arbitral awards may be recognized and enforced in Vietnam subject to the conditions and grounds for refusal provided under the Laws of Vietnam and the Convention. Parties shall therefore ensure strict adherence to procedural due process throughout the arbitration process to minimize the risk of enforcement being challenged later on.

Conclusion

57

Vietnam's deep integration into the global trading system - through WTO commitments and an extensive network of new-generation FTAs - creates significant opportunities for offshore investors. However, navigating the regulatory landscape requires heightened attention to rules of origin, customs valuation, foreign exchange controls, and compliance obligations across multiple domains. A proactive legal risk management strategy and a comprehensive understanding Vietnam's regulatory framework and its practical application are key to achieving sustainable, long-term success in the Vietnamese market.

Contact Us

For more information or assistance, please contact us:



Dang The Duc

Managing Partner

E duc.dang@indochinecounsel.com



Nguyen Thi Hong Duong

Senior Associate | Head of Taxation

E duong.nguyen@indochinecounsel.com



Nguyen Thi Nhung

Associate | Hanoi Office

E nhung.nguyen@indochinecounsel.com



Bui Truc Anh

Legal Assistant

E anh.bui@indochinecounsel.com

Ho Chi Minh City

Unit 305, 3rd Floor, Centec Tower
72-74 Nguyen Thi Minh Khai, Xuan Hoa Ward
Ho Chi Minh City, Vietnam

T +84 28 3823 9640
F +84 28 3823 9641
E info@indochinecounsel.com

Hanoi

Unit 705, 7th Floor, CMC Tower
Duy Tan Street, Cau Giay Ward
Hanoi, Vietnam

T +84 24 3795 5261
F +84 24 3795 5262
E hanoi@indochinecounsel.com

This Client Guide is provided for informational purposes only and does not constitute legal advice or create an attorney-client relationship between the reader and Indochine Counsel. While every effort has been made to ensure the accuracy and reliability of the information contained herein, this guide should not be relied upon as a substitute for professional legal consultation.

Laws and regulations governing securities, capital markets, and corporate transactions in Vietnam are subject to change, and their interpretation may vary based on specific circumstances. Readers are advised to seek qualified legal counsel before making any decisions or taking any actions based on the content of this guide.

Indochine Counsel expressly disclaims any liability for errors, omissions, or the consequences of using this guide, whether arising in contract, tort, or otherwise.

For tailored legal advice or further assistance, please contact Indochine Counsel directly.

© 2006 – 2026 Indochine Counsel. All Rights Reserved



You can reach us at
[Indochinecounsel.com](https://indochinecounsel.com)



LinkedIn



Facebook



YouTube