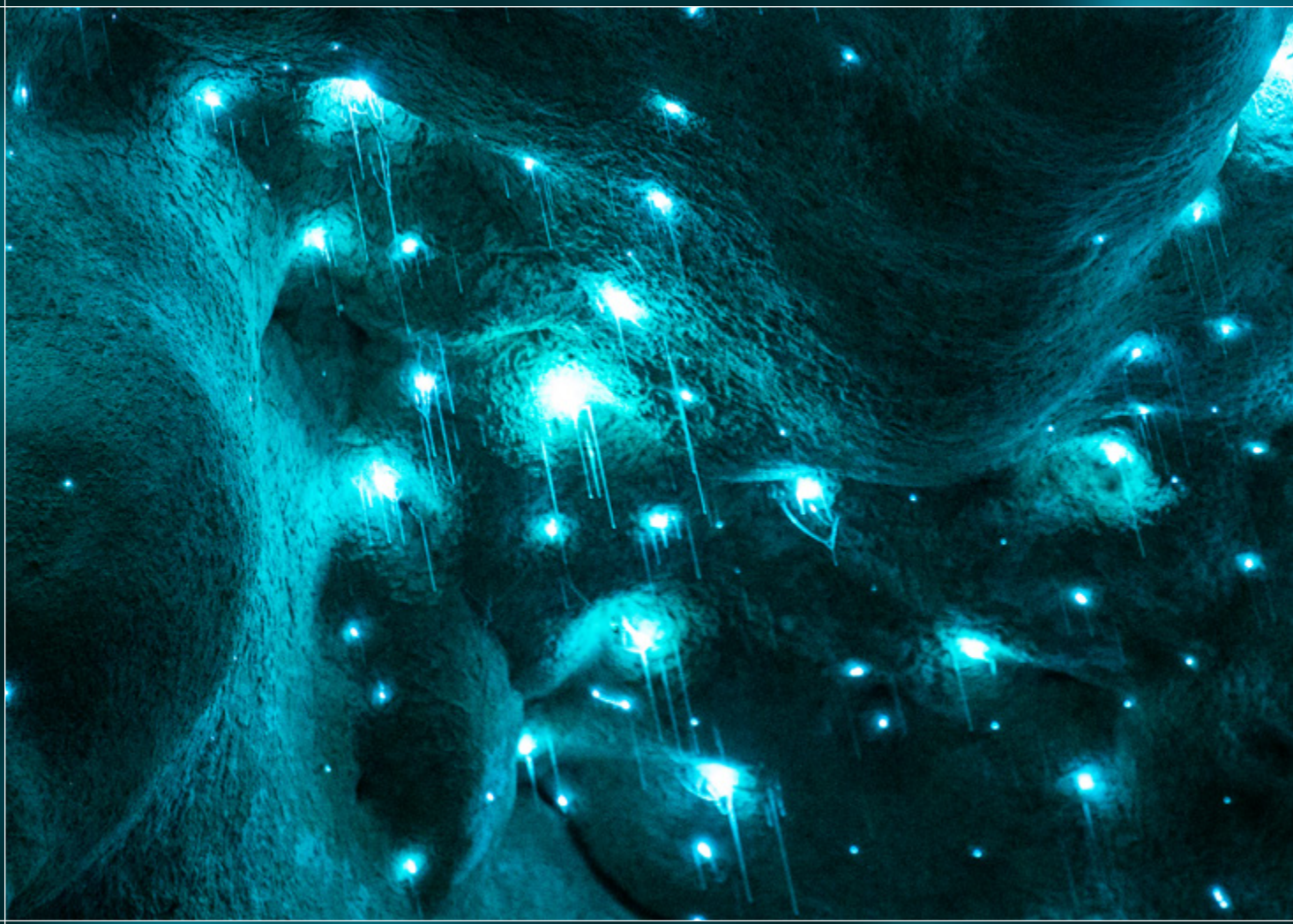
November 2026

Data Centres

APAC Regulatory Guide – **Vietnam**

Investment considerations



MALLESONS

Chapter 14

Vietnam

Rapid growth, sustained openness, expanded incentives and firmer data-security rules.

Population
102.3
million

Data centres
62
YoY: 5 (8.8%)

Live capacity
78MW
YoY: 2MW (2.6%)

Pipeline capacity
135MW+
YoY: 8MW (6.7%)

Data centre statistics provided by DC Byte (as at September 2026)

Vietnam's data centre market is expanding rapidly. There is strong government support for data centre investment. Recent legislative changes provide greater certainty around foreign ownership, PPAs and the regulatory status of data centres, while strategic incentives and benefits are available including at special high-tech parks.

With a growing and digitally savvy population, Vietnam is focused on digital transformation and infrastructure development. Foreign capital is needed to supplement the domestic response to the increasing demand for data centre services. This is promising, provided that existing power stability issues can be overcome to sustain growth.

Opportunities

- No foreign investment limits
- High-tech parks and various incentives
- New green direct PPA (**DPPA**) framework

Challenges

- Environmental requirements
- Water efficiency and use requirements
- Power stability issues

Spotlight on key drivers

There's no limit

The *Law on Telecommunications 2023* (**Telecoms Law**) confirmed that there is no limit on foreign ownership of companies providing data centre services or cloud services in Vietnam.

While this is not officially a change in law as there was no specific limit previously, this is the first time that it has been confirmed in law. The regulatory clarity will provide foreign investors with more confidence to invest in the local data centre industry.

The right incentives

Vietnam has several high-tech parks and special economic zones (**SEZs**) in central and strategic locations.

These offer favourable conditions and incentives for data centre investments, including:

- supporting infrastructure well-suited to data centre operations such as access to power and telecommunications networks, and
- tax breaks and other incentives including corporate income tax incentives, import duty exemptions and land and water surface rent exemptions.

An evolving regulatory landscape for data

Data and cyber security obligations heighten the compliance burden for companies.

Following a series of data localisation, security and privacy reforms in recent years, the *Law on Data 2024* as amended by the *Law on Cyber Security 2025* (**Data Law**) came into effect on 1 July 2025. To support the implementation of the Data Law, the Data Decree was issued on 30 June 2025 and came into effect on 1 July 2025.

The Data Law and Data Decree:

- heighten obligations for handling important data, including by foreign-owned enterprises, to address national security concerns
- restrict the transfer of important data outside of Vietnam (see 'Data Localisation' below for further details) and its use by Vietnamese and foreign entities, and
- introduce licensing or registration for certain data-related products and services, which may include data centre and data processing services.

Separately, the *Law on Cybersecurity 2025* classifies information systems into five cyber security levels based on the potential impact of cyber security incidents or breaches. Each level carries corresponding protection obligations, including requirements to detect, respond to, and remediate cyber security incidents, and to safeguard the confidentiality of information relating to the registration, creation, management and use of digital accounts.

> Vietnam's regulatory landscape for data centres has matured significantly, with confirmed foreign ownership certainty, a new direct power purchase framework, comprehensive data and AI legislation, and expanding high-tech park incentives – together creating a clearer, more investor-friendly environment for foreign providers entering the market.

Ho Thuy Ngoc Tram
Partner, Frasers Law Company



What are the legal instruments in Vietnam?

The following legal instruments are listed in descending order of authority. They vary in scope and detail, ranging from high-level legislative frameworks to more detailed implementing regulations.

Instrument	Overview
Laws	Drafted by government Ministries and approved by the National Assembly, the highest legal authority.
Decrees	Issued by Ministries without Assembly approval, detailing how laws are implemented.
Circulars and decisions	Issued by Ministry heads or equivalent authorities, explain how laws or decrees are applied. Decisions may also come from Local People's Committees (executive body of a province).
Resolutions	Similar in function to circulars and decisions and issued by Local People's Councils (legislative body of a province).

01 Power

Getting power to a site

The State-owned power company, EVN, has an effective monopoly over mains power supply in Vietnam (though this is not enshrined in statute). Non-State entities can be granted a right to invest in and construct transmission grids, but none have done so to date.

Vietnam is gradually liberalising its electricity market, enabling non-State entities to participate in power generation and distribution. Regulatory oversight remains stringent.

There is a multi-step process to secure power to a site from EVN and its local subsidiaries. Timelines vary based on location and entity type, typically ranging from 3 months to over a year. Urban areas close to existing infrastructure have shorter timelines, while rural and remote sites with limited connectivity take longer.

Recent government efforts have accelerated some processes, particularly in industrial zones, with new transmission lines completed in <6 months. In some provinces, EVN may expect data centre developers to invest in grid infrastructure or private substations.

Power purchase agreements

Specific government circulars apply to PPAs based on the project.

Small-scale hydropower projects

Circular 10/2025/TT-BCT (effective 1 February 2025, as amended by Circular 20/2026/TT-BCT effective 2 June 2026) applicable to small renewable energy power plants, sets out the methodology for calculating, determining and applying the avoided cost tariff. The circular also sets the principal PPA terms.

The avoided cost tariff reflects what the electricity purchaser would have paid in the absence of the electricity generated by the relevant project. The parties must negotiate a PPA based on the avoided cost tariff and in line with the principal terms prescribed under Circular 10/2025/TT-BCT.

Under this arrangement, the electricity seller must sell all electricity generated at the plant's busbar (the point where electricity leaves the plant) to the purchaser.

Thermal power (coal, gas, LNG) and renewable energy (save for certain limitations)

Circular 12/2025/TT-BCT (1 February 2025, as amended by Circular 54/2025/TT-BCT on 21 November 2025) applies to thermal power (coal, gas, LNG) and most renewable energy projects. It excludes independently invested battery energy storage systems.

The amendments revised the electricity pricing methodology, including the calculation of the annualised investment cost and the financial discount rate.

New wind and solar projects

The requirements under Circular 12/2025/TT-BCT apply to projects participating in the Vietnam Wholesale Electricity Market and large scale (≥30MW) and mini hydropower projects.

Decree 57/2025/ND-CP dated 3 March 2025 (**Decree 57**), which replaced Decree 80/2024/ND-CP, introduced clearer regulatory pathways for direct PPAs (**DPPAs**) between large electricity consumers and renewable energy generators. Two mechanisms are available: the National Power Grid Model and the Private Line Model.

National Power Grid Model (or virtual DPPA)

This model involves executing a DPPA and delivering electricity through the national grid. It operates between renewable power generators and large electricity consumers (or authorised electricity retailers within industrial zones or clusters), and comprises the following arrangements:

- the renewable power generator enters into an agreement with EVN to sell its entire power output into the national grid, with all generated electricity traded on the spot market of the competitive wholesale electricity market
- the large electricity consumer (or authorised electricity retailer in industrial zones or clusters) enters into a forward electricity contract - structured as a financial contract-for-difference that effectively fixes the price - with the renewable power generator, or
- the large electricity consumer (or authorised electricity retailer in industrial zones or clusters) enters into a PPA with the power corporation (or its authorised or delegated units) to procure all electricity required for its actual consumption from the grid.

Private Line Model (or physical DPPA)

This model facilitates electricity trading through term contracts between renewable energy generators and large electricity consumers (or authorised retail electricity units in designated zones or clusters) via power lines built directly from generator to consumer site. This suits businesses near renewable energy sites with the capacity to support a dedicated line, meaning there is no need to rely on the national grid.

Decree 57 prescribes mandatory terms for each of the contracts involved in these DPPA models, as well as licensing requirements and eligibility criteria for participants in either model.

On 26 June 2026, the Government issued Decree No. 243/2026/ND-CP, amending and supplementing Decree 57 (**Decree 243**), which took effect immediately. Decree 243 expressly recognises data centres as qualifying large electricity consumers under the grid-connected DPPA model. This removes the uncertainty that existed under Decree 57 regarding whether data centre developers and operators could participate in the mechanism.

Decree 243 also defines 'data centre' as a comprehensive information technology infrastructure specifically designed to store, process and analyse large-scale, complex data. This comprises servers, storage equipment, communication networks, supporting systems and software that ensure the continuous and secure operation of large-scale digital applications and services.

In addition, Decree 243 streamlines the participation procedure for the grid-connected DPPA model by replacing the previous seven-step process with a three-step procedure.

> The eligibility threshold for large electricity consumers under the grid-connected model remains unchanged at an average monthly electricity consumption of 200,000kWh or more over a consecutive 12-month period. Participating large electricity consumers must continue to satisfy this threshold on an ongoing basis to remain eligible to participate in the mechanism.

Going 'green'

Vietnam's government is actively promoting 'green' data centres to reduce energy consumption and carbon emissions through its legal framework and ongoing sustainability initiatives.

Approvals stage requirements

Data centre projects must undertake EIAs and submit them for appraisal by a council of experts. These experts are appointed by a relevant government appraising authority - typically the Ministry of Natural Resources and Environment or Provincial People's Committee, depending on the nature of the project.

If the appraisal approves the project, then the relevant authority may issue investment approvals (see 'Land' below for further details). The project operator must comply with the conditions of the EIA.

Energy efficiency and stability in operations

Decision No. 36/QĐ-TTg (January 2024) (**Decision 36**) establishes the development orientation for large-scale data centres. Data centres must be built to green standards and aligned with regional energy planning.

Decision 36 approved the Information and Communication Infrastructure Master Plan for the Period 2021–2030, with a Vision to 2050. New data centres must meet international green benchmarks, including achieving a PUE of 1.4 or lower.

Priority is given to locations with stable electricity supply, supported by at least two independent medium-voltage substations. Decision 36 also encourages the selection of sites close to renewable energy sources.

Decision No. 1132/QĐ-TTg (9 October 2024), approved the Digital Infrastructure Strategy to 2025 with an orientation to 2030 and sets out the following vision:

> 'Digital infrastructure is [the] foundation for Vietnam to become a modern and smart digital country.
>
> Vietnam's digital infrastructure is advanced, modern, synchronous, secure, safe and sustainable, on par with that of developed countries in the world, thereby contributing to development of Vietnam into an upper-middle-income country by 2030 and a high-income country by 2045.'
>
> **Vietnam's Prime Ministerial Decision**
> No. 1132/QD-TTg (October 2024)

02 Water

Water supply

As Vietnam continues to urbanise and industrialise, competition for water supply between the agriculture, manufacturing and residential sectors has intensified.

In regions prone to rain shortages and seasonal droughts, authorities are giving increased weight to water use efficiency in environmental permitting. In practice, data centres are expected to incorporate closed-loop cooling, water cycling and other conservation technologies.

Environmental advocacy in Vietnam is also driving stricter oversight of industries with high water consumption, including data centres.

Increasing focus on water efficiency

The Vietnam government has strengthened environmental regulations and imposed water efficiency requirements through the laws and regulations set out below.

Key laws and regulations

Law on Environmental Protection 2020

EIA approvals and environmental permits will not be issued for new investment projects that discharge wastewater directly into overloaded surface water bodies. Projects may only proceed if they incorporate measures to treat wastewater to environmental standards, reuse it, or assist in restoring polluted areas.

Project owners are also required to submit annual (or ad hoc) environmental protection reports, detailing the performance of environmental protection facilities and waste management measures.

Law on Water Resources 2023

Water must be used efficiently and wastewater may only be discharged into surface water bodies if environmental standards are met.

Depending on the volume of use, project owners must declare, register and obtain a licence for the exploitation and use of water resources.

Circular No. 02/2014/TT-BCT, as amended by Circular 29/2018/TT-BCT dated 28 September 2018

Industrial operators, including data centres, must conduct water usage audits. They must also implement hot water efficiency measures under broader energy conservation obligations.

QCVN 08:2023/BTNMT (Surface Water Quality Standards)

Surface water is classified into four quality levels to guide usage and safeguard aquatic ecosystems:

Level	Quality	Purpose
A	**Good**	Suitable for domestic use, swimming, and recreation (after treatment)
B	**Moderate**	Suitable for industrial and agricultural use (after treatment)
C	**Poor**	*Odour-free and suitable for industrial use (after treatment)*
D	**Very poor**	*Limited to water transport and other low-quality uses*



03 Land

No land ownership

Land is considered public property in Vietnam and is owned by the State. Although individuals and entities cannot privately own land, they can seek leases to unlock opportunities, including foreign investors.

Land use rights

Foreign owned entities can obtain land use rights either from the State, an existing land user or by forming a joint venture with a local entity.

Under the *Land Law 2024* (**Land Law**), the land rights available to a foreign-invested entity will depend on whether it is subject to the foreign investment approval regime - broadly, where foreign investors hold more than 50% of its charter capital. An entity outside this category is generally treated in the same manner as a domestic entity for land purposes.

How to obtain land use rights as a foreign investor

From the State

A foreign invested entity may lease land directly from the State. This process may take several months, as it involves a number of administrative procedures and, in some cases, a land use right auction or investor selection bidding process.

An auction or bidding process is required in prescribed circumstances, including where there are multiple interested parties, or the project meets certain scale thresholds.

Arrangements with existing land users

Where an auction or competitive bidding process is not required, a foreign-invested entity may obtain land use rights through agreements with existing land users, including by:

- sub-leasing land in an industrial park or high-tech zone from the zone developer
- acquiring land use rights from an existing land user
- receiving a capital contribution of land use rights from a local partner, or
- entering into a joint venture with a local partner that contributes land use rights as capital.

This route is generally less administratively complex than obtaining land directly from the State, although timing will depend on commercial negotiations with the relevant land user.

A zone sub-lease is often the most implementation-ready option, as the land has typically already been cleared and serviced with supporting infrastructure.

Indirect acquisition through M&A

A foreign-invested entity may also obtain access to land indirectly by acquiring equity in a project-holding company or acquiring all or part of an existing project.

The availability of the transfer route described in existing land users arrangements above depends on the entity's classification under the Land Law.

An entity subject to the investment procedures applicable to foreign investors (broadly, where foreign investors hold more than 50% of its charter capital) may only receive transfers of land use rights in industrial parks or high-tech zones. By contrast, an entity that falls outside that category may receive transfers without that locational restriction, in substantially the same manner as a domestic entity.

In either case, the transfer remains subject to the general statutory requirements, including that the intended land use is consistent with the project (or can be converted for that purpose) and that the remaining land term is sufficient.

Investment approvals

Before commencing a foreign-invested data centre project in Vietnam, the project must typically secure an Investment Policy Approval (**IPA**) and an Investment Registration Certificate (**IRC**).

An IPA is generally required where the data centre project involves the provision of facility-based telecommunications services, or where the project's capital or land requirements for the project meets thresholds under the *Law on Investment 2025* (**Investment Law**), which replaced the *Law on Investment 2020*.

The municipal People's Committee, or a special zone management board, will review IPA requests for most data centre projects. Projects involving facility-based telecommunication services require approval from the Prime Minister.

The relevant State investment authority will issue an IRC within 5 working days of the IPA in accordance with the timeline under the Investment Law. In total, the IPA and IRC processes typically take 90 days or more from submission.

Construction permit

In addition to obtaining an IPA and IRC for a data centre project, a construction permit will be required before commencing construction of a building or facility on the relevant site. Construction permits are mostly issued by the Provincial People's Committee in the relevant province.

What are the zoning requirements?

The zoning requirements for data centres are generally the same as for standard investment projects, with the exception that data centre projects which involve facility-based telecommunications services require an IPA from the Prime Minister.

Currently, there are no legal restrictions on the land or geographical areas where data centres may be constructed. However, similar to other land-based investment projects, pursuant to the *Law on Digital Transformation 2025* (which came into effect on 1 July 2026) (**Digital Transformation Law**), data centre developments must comply with applicable land use master plans and planning instruments.

Under the Digital Transformation Law, data centre projects will be prioritised by provincial People's Committees for allocation within:

- high-tech parks
- concentrated digital technology zones, and
- areas with favourable technical infrastructure conditions

in alignment with the Information and Communications Infrastructure Plan, the Digital Infrastructure Strategy, and the relevant provincial planning.

Planning compliance

The lease of land for telecommunications facilities, including data centres, must align with:

- the national planning for information and communications infrastructure
- the planning for passive telecommunications infrastructure, and
- relevant land use master plans approved by competent authorities.

Land use classification

Under Vietnamese land law, land is classified into three main categories:

- agricultural land (such as for annual/perennial crops, aquaculture, livestock, forestry)
- non-agricultural land (for example, residential, public infrastructure, production and business, religious, cemeteries), and
- unused land.

Land must be used in accordance with its approved classification. Data centres are typically developed on non-agricultural land designated for public infrastructure or business purposes.

If the land is currently classified as agricultural or residential, an approval for change of land use purpose by the competent provincial authority may be required prior to development.

Re-zoning or a change in land use

If the operation of the data centre requires re-zoning or a change in land use, the IPA must be amended where it would result in:

- a land use change exceeding 10% of the land that is the subject of the approval
- a land use change exceeding 30 hectares, or
- a change in the investment location.

The IPA amendment process can take 38 working days under law, but may take longer in practice. This timeline under the Investment Law shortens the statutory timeline for amending an IPA compared to the former *Law on Investment 2020*.

Suitability criteria for data centre locations could affect approval

Proximity to national backbone network nodes, availability of a stable and continuous power supply, and flat terrain with low risk of natural disasters are among criteria set out in Decision 36.

State authorities may take these criteria into account when evaluating and approving data centre projects.

04 Telecommunications

Is a telecommunication license required?

Whether a licence is required depends on the services provided at and to the data centre. There are two scenarios:

- **No licence:** Applicable for a pure 'data centre service' other than the registration requirement outlined below.

  A data centre service includes providing functions including processing, storage and extraction of information for users via the telecommunications network by leasing part or all of the data centre.

- **Individual licences:** May be needed if the data centre operator provides traditional telecommunications services along with the data centre service (for example, internet access services used to connect between physical data centre sites).

  The licences required would depend on whether the data centre operator owns the underlying network infrastructure used for the telecommunications services or not.

Applicability of telecommunications laws to data centres

The Telecoms Law, and Circular No. 42/2025/TT-BKHCN of the Ministry of Science and Technology dated 30 November 2025 (**Circular 42**), provide a light-touch regulatory framework for data centre services, over-the-top services and cloud computing services.

Framework obligations for data centre operators include:

- where a data centre operator provides telecommunications services in addition to data centre services, registering with the relevant provincial-level People's Committee and obtaining a certificate of registration for the provision of telecommunications services. This requirement does not apply to operators that provide data centre services only. Relevant telecommunications services may include services for the transmission or receipt of information between users or devices over a telecommunications network, as well as VAS involving the processing, storage or retrieval of information through such network
- to submit a technical plan that aligns with information and communications infrastructure planning, complies with applicable standards and technical regulations, and ensures the safety of telecommunications infrastructure, cyber security and information security
- to obtain a telecommunications service registration certificate if providing data centre services, or notify the Minister of Science and Technology (**MST**) if providing data centre services on a cross-border basis
- to store certain identification information of its customers
- to refrain from accessing customer data or tracking customer communications without consent of the customer, and
- to prevent access to certain information, where directed by State authorities.

05 Foreign investment restrictions

Land

While land cannot be privately owned, there are no foreign investment restrictions in relation to land use rights (see 'Land' above for further details).

Data centres

There are no foreign ownership limits for enterprises providing data centre services, meaning foreign investors may own up to 100% equity.

Telecommunications service providers

There are no restrictions on foreign ownership of non-facilities-based telecommunication services. However, there are foreign ownership restrictions for telecommunication service providers who:

- invest in telecommunications infrastructure and own transmission capacity – foreign ownership up to 50%, and
- do not own infrastructure or transmission capacity but contract with a facilities-based provider – foreign ownership up to 65%.

These restrictions are relevant where a data centre operator is also providing traditional telecommunications services bundled with the data centre services, for example, as part of an internet exchange business (see 'Telecommunications' above for further details).

06 Tax and other incentives

Special economic zones

Several high-tech parks and economic zones offer favourable conditions and incentives for data centre investments.

Key SEZ locations for data centre investments

Name	Location	Focus
Saigon Hi-Tech Park	Ho Chi Minh City	Offers land leases, tax breaks and support services.
Da Nang Hi-Tech Park	Da Nang	Offers tax breaks, land rent exemptions and support services.
Hoa Lac Hi-Tech Park	Hanoi	Offers tax incentives (high-tech, or large-scale), land rent reductions, duty free imports and streamlined visas.

Financial incentives for high tech industries

The Investment Support Fund (**ISF**), established under Decree No. 182/2024/ND-CP, is designed to provide financial incentives for high-tech enterprises, including high-tech data centre developments and operations.

The ISF offers two support models for eligible projects (which are not mutually exclusive).

Annual expense support

Provides eligible data centre projects access to financial assistance for operational expenses such as:

- training and human resource development
- research and development (R&D), and
- high-tech product manufacturing.

Initial investment cost support

Covers up to 50% of initial investment costs for establishing R&D centres in sectors such as AI, subject to specific conditions. To qualify for these incentives, an enterprise having a high-tech application project investing in artificial intelligence data centre projects must have either:

- a minimum capital of VND6,000 billion (approximately US$260 million)
- an annual revenue of at least VND10,000 billion (approximately US$430 million), or
- committed capital to be disbursed within a specified period, typically VND12,000 billion (approximately US$460 million) within 5 years from the IRC issuance or equivalent legal document.

  For certain specific industry projects such as AI data centres, the committed capital requirement is reduced to VND6,000 billion within 5 years or VND4,000 billion (approximately US$153 million) within 3 years from the issuance of the IRC or equivalent legal document.

Tax and other incentives

Investment projects in industrial zones and high-tech parks may qualify for incentives depending on location and the nature of the project.

Common incentives include preferential tax rates, tax holidays, import duty exemptions (including for capital goods such as machinery, equipment and specialised vehicles used to form fixed assets, and raw materials), and land and water surface rent exemptions.

07 Data protection and cyber security

A modern data protection framework

Vietnam's updated data protection framework mostly impacts the customers of data centre operators. However, there are considerations for data centre operators – particularly in relation to ensuring that the Ministry of Public Security (**MOPS**) can continue to exercise its inspection powers in respect of personal data.

The data protection framework includes several key data localisation requirements (see 'Data localisation' below for further details). In particular:

- the Data Law restricts the transfer of critical information outside of Vietnam
- Decree No. 356/2025/ND-CP (**Decree 356**) regulates personal data and prohibits the processing of Vietnamese personal data without the fully informed consent of the data subject, except in certain cases such as to protect a person's life or health or to fulfil the data subject's contractual obligations, and
- Decree 356 also requires persons transferring Vietnamese personal data outside of Vietnam to prepare an impact assessment to be filed with the MOPS and ensure that the relevant dossier is available for the Ministry's inspection.

The Personal Data Protection Law (**PDPL**) was passed in late June 2025 and came into effect on 1 January 2026. The PDPL largely reproduces and expands upon the obligations under the former Decree 13/2023/ND-CP, bringing additional consent requirements for certain types of data or processing and an opt-in/opt-out regime for the use of personal data for targeted advertising. Decree No. 356 has fully replaced Decree No. 13/2023/ND-CP and provides detailed guidance on implementing the PDPL.

As outlined above, the AI Law introduces AI-specific requirements, including obligations relating to the classification of AI systems and the labelling of AI-generated content. The general requirements under the PDPL and Decree No. 356 continue to apply to the processing of personal data, while the AI Law imposes additional obligations in relation to AI-related activities.

Cyber security laws focused on national security

Vietnam's cyber security laws include obligations traditionally present in other regimes, such as obligations to:

- secure data and networks and to report cyber security incidents to relevant local police authorities, or Bureau of Cybersecurity, and
- High-Tech Crime Prevention and Control (A05) within the MOPS (depending on where the relevant data controller is located).

The focus of Vietnam's cyber security laws is national security.

The *Law on Cybersecurity 2018* (**Cybersecurity Law**) and the associated Decree No. 53/2022/ND-CP (**Decree 53**) require:

- data centre operators (when managing and operating national cyberspace infrastructure and networks, and potentially providing telecommunications services) to implement cyber security technical measures and comply with government cyber security directives
- data centre operators and their customers to comply with requests from the MOPS to store, and provide access to, data for cyber security investigations and national security purposes, and
- service providers that perform data collection or processing activities using personal data of Vietnamese users or telecommunications service providers where directed by the government to comply with certain data localisation obligations (see 'Data localisation' below for further details).

What are the localisation requirements?

The Cybersecurity Law requires providers of telecommunications, internet, cloud computing or data storage services (including data centre operators) to store certain personal data, user activity logs and other information within Vietnam (**Localisation Requirement**) (see 'Data localisation' below for further details).

The Localisation Requirement was enhanced by the Telecoms Law and Decree No. 163/2024/ND-CP (**Decree 163**), which extend the Localisation Requirement to foreign providers of cloud computing and data centre services when operating in Vietnam, and the Data Law will further enhance this.

As a corollary to this data sharing requirement, data centre operators must assist in cyber security investigations and national security matters under the PDPL and comply with storage and access requests from MOPS as noted above.

Financial services providers and institutions

There are several laws and regulations imposing obligations on entities operating in the financial services sector, such as the:

- *Law on the State Bank of Vietnam 2010*
- *Law on Anti-Money Laundering 2022*, and
- *Law on Securities 2019*.

These laws and regulations impose obligations on financial service providers and institutions - entities that process and manage customer data as part of their regulated business operations.

They do not, however, impose obligations on data centre operators where those operators merely provide the physical infrastructure (for example, space, power, cooling and connectivity) without access to, or control over, the data stored on tenant servers.

Digital asset service providers

Digital certification service providers must comply with the *Law on Electronic Transactions 2023*, the *Law on E-commerce 2025* (which commenced on 1 July 2026) and relevant guiding legislation, which set out requirements relating to data storage, processing and security for digital signatures and authentication services.

However, these laws do not extend to data centre operators who solely provide physical infrastructure without access to, or control over, tenant data. They primarily apply to digital certification service providers and entities engaged in e-commerce activities, imposing obligations relating to:

- livestream sales
- affiliate marketing services, and
- electronic contract authentication services.

08 Critical infrastructure and security

Critical infrastructure laws

Data centres are not explicitly characterised as 'critical infrastructure'. However, they are subject to stringent regulatory oversight by the MOPS under the Cybersecurity Law (see 'Data protection and cyber security' above for further details).

Further, data centre operators must:

- register with or notify the MST prior to offering services in Vietnam (see 'Telecommunications' above for further details), and
- meet requirements relating to data security, service quality and state cooperation.

A focus on national security

National security considerations are woven throughout Vietnam's regulatory framework and include the:

- Cybersecurity Law, the PDPL and Decree 356 impose national security obligations on data centre operators (see 'Data protection and cyber security' above for further details), and
- Telecoms Law, which imposes national security obligations, with government oversight, as it regulates telecommunications infrastructure, including data centres, with a view to safeguarding national security and public order.

Any organisation that detects acts of sabotage or interference with telecommunications infrastructure must notify the local police authorities and People's Committees.

Data centre operators who own infrastructure used in telecommunications networks must protect that infrastructure and ensure they do not cause damage to or adversely affect telecommunications infrastructure owned by others.

Physical security standards

National Standard TCVN 9250:2021 requires data centres to have access control systems to prevent unauthorised entry, with continuous surveillance using CCTV.

The MST may also specify technical standards that data centres must comply with before operations commence.

Technical standards or accreditations

Data centres in Vietnam must comply with specific domestic standards to meet technical, safety and operational requirements, which are established under several regulations including the Telecoms Law and Circular 42.

Compliance with these regulations is mandatory before operations can commence.

Data centre operators are entitled to engage in R&D and pilot implementation of new technologies and models in telecommunications, as well as being responsible for compliance with mandatory network and service management requirements, in accordance with the Telecoms Law.

Data centre operators must assess and publicly disclose their compliance with prescribed standards and technical assurance levels (in addition to the physical security standards contained in the National Standard TCVN 9250:2021).

This includes the following regulations:

- *National Technical Regulation on Lightning Protection (QCVN 32:2020/BTTTT)*
- *National Technical Regulation on Grounding (QCVN 9:2016/BTTTT)*, and
- *National Technical Regulation on Fire Safety (QCVN 06:2022/BXD)*.

09 Data localisation

Localisation requirement

The Localisation Requirement (see 'Data protection and cyber security' above for further details) does not impose a general data localisation or residency requirement on all types of data. It requires Vietnamese enterprises to store certain types of Vietnamese user data within Vietnam, including:

- personal data
- user-generated data, such as account names, service usage time, credit card details, email and IP addresses and registered phone numbers, and
- relationship data, such as like users' contacts, groups and networks.

Copies of that data may be transferred abroad if applicable legal requirements are complied with.

According to the Data Law, the cross-border transfer of core and important data must comply with:

- principles of national defence and security
- national and public interest, and
- the protection of the lawful rights and interests of data subjects and data owners.

This must be done in accordance with Vietnamese law and international treaties to which the Socialist Republic of Vietnam is a party.

The Data Decree (Decree No. 165/2025/ND-CP) clarifies the meaning of core and important data and sets out the conditions for their cross-border transfer and processing.

The Data Decision (Decision No. 20/2025/QD-TTg on important and core data classification) was issued and came into effect on 1 July 2025. It provides an indicative list of important and core data.

While most of these categories pertain to State-related activities, certain private-sector data types are also covered.

Data Type	Description	Examples	Transfer Conditions
Important data	Data that could potentially impact national defence, security, foreign affairs, macroeconomic stability, social order, public health or community safety	Confidential banking data, account information, and loan data involving 10,000 or more Vietnamese businesses or organisations, and Basic personal data of 100,000 or more individuals.	At least 15 days before transferring or processing important data across borders, data administrators must prepare and submit a Cross-Border Data Transfer and Processing Impact Assessment Report (**Impact Assessment Dossier**) to the Ministry of National Defence (for military, defence, or cryptographic data) or to the MOPS (for other fields) (together, the **Data Regulators**). Data administrators may proceed with the cross-border data transfer or processing without prior approval from the Data Regulators.
Core data	Data that directly affects the above areas	Confidential banking data, account information, and loan data involving 100,000 or more Vietnamese businesses or organisations Basic personal data of 1,000,000 or more individuals, and Sensitive personal data of 100,000 or more individuals.	As with important data, data administrators must submit an Impact Assessment Dossier to the Data Regulators, except in limited cases. The Data Regulators must complete its review within 10 working days from receipt of a complete and valid dossier. The transfer or processing may only proceed upon receipt of a positive assessment from the relevant authority.

Application to foreign entities

The Localisation Requirement mainly impacts local entities.

However, a foreign entity providing telecommunications networks, internet services or VAS (such as data centre services or cloud services) in Vietnam and engaging in user data collection, exploitation, analysis or processing may be required to store data, and establish a branch or representative office, locally if:

- its services are used in violations of the Cybersecurity Law
- it receives a violation notice from the MOPS requiring cooperation in prevention, investigation or enforcement, and
- it fails to comply, or only partially complies, with directions of relevant authorities, or obstructs cyber security protection measures imposed by relevant authorities.

For the purposes of this section, under Decree 53, a foreign enterprise is an enterprise established or incorporated under foreign law, whereas a domestic enterprise is an enterprise established or incorporated under Vietnamese law with its head office in Vietnam.

Government data and state secrets

The *Law on Protection of State Secrets 2025*, which replaces the former *Law on Protection of State Secrets 2020*, prohibits the unlawful transmission of state secrets through computer networks (other than standalone LAN systems), the internet, or telecommunications networks, including in breach of applicable laws on cryptography and other relevant regulations.

Compared with the previous legislation, the scope of 'state secrets' has been expanded to include, among other things:

- information relating to defence infrastructure planning
- state compensation affecting national security
- the resolution of international investment disputes, and
- strategies and plans relating to science and technology, postal services and telecommunications.

The data localisation requirements under other applicable data laws remain in force. The *Law on Protection of State Secrets 2025* does not replace those requirements. Rather, it imposes additional obligations specifically relating to the protection of state secrets.

The establishment of the government owned National Data Centre was officially announced in February 2025 by MOPS. The Data Law sets out various requirements for how it will operate.

Digital ID

Digital ID providers must comply with the *Law on Citizen Identification 2023*, which requires personal identity data to be stored in government-approved data centres.

10 Environmental, social and governance

International ESG commitments

Vietnam has made several international climate commitments and has signed the United Nations Framework Convention on Climate Change, Vienna Convention for the Protection of the Ozone Layer and COP pledges.

Multilateral agreements include:

- the Cooperation Framework Agreement on Climate Change between Vietnam and the Republic of Korea, and
- the Joint Crediting Mechanism between Vietnam and Japan.

Key climate commitments include:

NDC UNDER THE PARIS AGREEMENT

15.8% emissions reduction by 2030

30% reduction by 2030

GLOBAL METHANE PLEDGE

These international climate commitments are incorporated into domestic law and various legislative and policy measures, such as:

- the *Law on Environmental Protection 202*0, and
- Decision No. 888/QĐ-TTg (25 July 2022) which sets out tasks and solutions for implementing outcomes of the 26th Conference of the Parties (**COP26**) to the UN Framework Convention on Climate Change.

ESG reporting

Publicly listed entities must comply with reporting requirements set out in Circular No. 96/2020/TT-BTC, including by disclosing ESG-related information in their annual reports.

This includes disclosing information regarding GHG emissions, energy and water consumption, compliance with environmental laws, employee policies and community engagement initiatives.

Renewable energy certificates

Vietnam has two types of tradeable RECs:

- international RECs (**I-RECs**) registered by the Green Certificate Company, which make up more than 95% of global REC trading volume, and
- Tradeable Instrument for Global Renewables (**TIGRs**) registered by APX.

Whether a data centre requires direct renewable power or just the purchase of relevant RECs will generally be driven by the demands of its anchor tenants.

Some hyperscalers may insist on true renewable power supply at site, while others may prefer security of supply from non-renewable sources and instead rely on RECs to meet their internal ESG targets.



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We have strong, established relationships with leading law firms from around the Asia region, who we worked with to bring this together. A special thank you to ABNR, Chandler Mori Hamada, Chapman Tripp, Frasers Law Company, Kim & Chang, King & Wood, Lee and Li, Mori Hamada, Romulo Mabanta Buenaventura Sayoc & de los Angeles, Skrine and Trilegal for their collaboration on this Guide.

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Many people contributed to the development of this Guide and we greatly appreciate their assistance.

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Nadia Wust
Abraham Alvarez (TAG design)
Damien Winddow (TAG design)
DC Byte.

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