



# LEGAL UPDATE VIETNAM

**May 2025**  
**No. 9**

**Decree No. 69/2025/ND-CP Amending Regulations On Foreign Investors Purchasing Shares Of Vietnamese Credit Institutions**

---

**Decree No. 68/2025/ND-CP Amending Provisions Detailing The Law On Handling Of Administrative Violations**

---

**Circular No. 19/2025/TT-BTC Providing New Regulations On Public Companies**

---

**Circular No. 03/2025/TT-NHNN On Opening And Using VND Accounts To Implement Foreign Indirect Investment Activities In Vietnam**

---

# DECREE NO. 69/2025/ND-CP AMENDING REGULATIONS ON FOREIGN INVESTORS PURCHASING SHARES OF VIETNAMESE CREDIT INSTITUTIONS

Decree No. 69/2025/ND-CP, enacted on 18 March 2025 and effective on 19 May 2025 ("**Decree 69**"), amends Decree No. 01/2014/ND-CP ("**Decree 01**") on foreign investors' purchase of shares of Vietnamese credit institutions.

## 1. Expanding the regulatory scope

Compared to Decree 01, Decree 69 broadens its regulatory scope to align with the Investment Law and related legal provisions. Previously, the regulations applied only to "foreign investors." However, Decree 69 now covers foreign-invested economic organizations that are subject to the same conditions and investment procedures as foreign investors when participating in investment activities, capital contributions, or share purchases. As a result, Vietnamese foreign-invested entities must also comply with regulations applicable to foreign investors when acquiring shares in Vietnamese credit institutions.

## 2. Offering more accurate definitions

Specifically, under the Decree 01, a "foreign individual" was defined as "a person who does not hold Vietnamese nationality." Meanwhile, Decree 69 now amends this definition to "a foreign individual is a person who holds foreign nationality." The term "foreign organization" is now also clearly and specifically defined as "an organization established under foreign law that conducts investment and business activities in Vietnam."

## 3. Amending regulations on foreign ownership limit in Vietnamese credit institutions

Decree 69 amends and supplements provisions on foreign ownership limit, specifically:

- **At commercial banks:** The total shareholding ratio of foreign investors in a Vietnamese commercial bank is capped at 30%, except in certain special cases as provided by law.
- **At non-bank credit institutions:** The maximum shareholding ratio is 50%, unless the law specifies otherwise.

- **In exceptional cases:** The Prime Minister may approve a higher limit to address weak or troubled credit institutions on a case-by-case basis.
- **At commercial banks subject to mandatory transfer<sup>1</sup>** (excluding those where the State holds more than 50% of charter capital): Foreign ownership of up to 49% is permitted under an approved mandatory transfer plan, applicable within the duration of that plan.

## DECREE NO. 68/2025/ND-CP AMENDING PROVISIONS DETAILING THE LAW ON HANDLING OF ADMINISTRATIVE VIOLATIONS

Decree No. 68/2025/ND-CP, enacted on 18 March 2025 and effective on 02 May 2025 ("**Decree 68**"), amends and supplements Decree No. 118/2021/ND-CP on elaboration and enforcement of the Law on Handling of Administrative Violations.

### 1. New principles for determining monetary fines for administrative violations

Decree 68 provides guidance on how to determine the fine amount when handling administrative violations:

- **Specific fine amount:** This is set at the average level of the prescribed fine range.
- **With mitigating circumstances:** If there is one mitigating circumstance, the fine is determined within the range above the minimum and below the average. If there are two or more mitigating circumstances, the minimum level of the fine range is applied.
  - **With aggravating circumstances:** If there is one aggravating circumstance, the fine is determined within the range above the average and below the maximum. If there are two or more aggravating circumstances, the maximum level of the fine range is applied.
  - **In cases with both aggravating and mitigating circumstances:** One aggravating circumstance is offset by one mitigating circumstance.

---

<sup>1</sup> According to Article 4.28 of the Law on Credit Institutions 2024, "mandatory transfer plan" means a plan in which the owner, capital contributor or shareholder of a commercial bank placed under special control has to transfer 100% of their shares/stakes to the transferee.

2. **Additional provisions on determining a repeated violation or multiple counts of violation**

According to Decree 68, if an individual or organization repeats an administrative violation that they were penalized for previously or commits another violation under the same clause or article at a different level of severity or consequence, it will be considered a repeated violation or multiple counts of violation. If the multiple counts of violation are considered an aggravating circumstance and fall under the provision above, the highest fine and the longest period of suspension or revocation of practicing certificates/licenses shall apply. Consequences for a "repeated violation" are not directly provided in this Decree 68 and Decree 118 that is amended by this Decree 68. However, per Article 10.1(b) of the Law on Handling of Administrative Violations, repeated violation is an aggravating circumstance.

3. **Additional regulations on the temporary seizure of electronic licenses**

Accordingly, in cases where a license is issued in electronic form or represented as a data message, the competent authority or individual can temporarily seize or revoke the license electronically, provided that infrastructure, technical, and information conditions are met. The status of the seizure or revocation must be updated in the relevant databases or linked to electronic identification cards or electronic identification accounts in accordance with regulations.

## **CIRCULAR NO. 19/2025/TT-BTC PROVIDING NEW REGULATIONS ON PUBLIC COMPANIES**

Circular No. 19/2025/TT-BTC ("**Circular 19**") was released and took effect on 05 May 2025. Replacing several Articles in Circular 118/2020/TT-BTC, this Circular provides new guidance on the registration of public companies, cancellation of public company status and audited report on contributed charter capital with the following main contents:

1. **Registration of public companies**

Joint-stock companies meeting the criteria set forth by law must submit a registration dossier to the State Securities Commission within 90 days after completing capital contributions and achieving the required shareholder structure.

The registration dossier includes:

- Application form (statutory form provided in Appendix 2 to Circular 19);
- Company charter and draft charter for public companies if the current charter does not meet the requirements applicable to public companies;
- Enterprise registration certificate or equivalent legal documents;
- Public company information disclosure document (statutory form specified in Appendix 3 to Circular 19);
- Latest audited financial statements;
- Report on audited charter capital contributions; and
- Shareholder list (statutory form specified in Appendix 4 to Circular 19).

The State Securities Commission shall review and request any necessary amendments to the dossier. The company must update and complete its dossier within 60 days from the date of request. If the company fails to complete the registration within the specified timeframe, the Commission will cease processing the application.

The State Securities Commission shall confirm the registration of the public company within 15 days from the receipt of full and valid application dossier.

## **2. Cancellation of public company status**

A public company may lose its status if it:

- No longer meets the criteria outlined in Article 32.1(a) of the Securities Law;
- Fails to disclose audited annual financial statements for two consecutive years;
- Does not disclose resolutions of the annual general meeting of shareholders for two consecutive years; or
- Fails to follow procedures for registration of shares at Vietnam Securities Depository and Clearing Corporation or fails to follow procedures for listing or registration for trading of shares on Stock Exchanges within one year of registration confirmation or public offering completion.

Specific dossier and procedures for cancelling public company status are also guided in detail by Circular 19.

### 3. Audited report on contributed charter capital

Audited report on contributed charter capital was first introduced on 29 November 2024 and came into effect on 01 January 2025 under the Law No. 56/2024/QH15 on amending and supplementing Securities Law and other Laws. Now, Circular 19 provides clearer guidance on the preparation and submission of this report, specifically:

- Report on contributed charter capital shall be used in the registration dossiers for initial public offerings of shares and the registration dossiers of public companies;
- The report shall comply with the statutory form provided in Appendix 1 to Circular 19;
- Reporting period:
  - For enterprises operating for less than 10 years, the report must cover the entire period from the date of establishment to the reporting date.
  - For enterprises operating for 10 years or more, the reporting period must cover at least the most recent 10 years up to the reporting date.
- The audit of the report on contributed charter capital must be carried out in accordance with current legal regulations to provide an opinion on the honesty and reasonableness of the owner's contributed capital.

## **CIRCULAR NO. 03/2025/TT-NHNN ON OPENING AND USING VND ACCOUNTS TO IMPLEMENT FOREIGN INDIRECT INVESTMENT ACTIVITIES IN VIETNAM**

Circular No. 03/2025/TT-NHNN which was enacted on 29 April 2025 shall be effective on 16 June 2025 ("**Circular 03**"). Replacing Circular No. 05/2014/TT-NHNN, this Circular provides new guidance on the opening and use of indirectly-invested capital accounts in Vietnam Dong for implementation of foreign indirect investment activities in Vietnam.

### 1. Transactions required to open and use an indirect investment account

The following foreign indirect investment transactions in Vietnam must be carried out through an indirect investment account in accordance with this Circular 03:

- Buying and selling securities on the Vietnamese stock market and trading other valuable papers;
- Contributing capital, purchasing shares or equity interests in unlisted enterprises that are not subject to the requirement of opening a direct investment capital account;
- Entrusting investment in VND through fund management companies and other institutions authorized to perform entrusted investment activities in accordance with the law; and
- Buying and selling other types of securities as regulated by the securities laws.

## **2. Simplified procedures to open indirect investment accounts**

Compared with the old Circular, this Circular 03 introduces a key change that facilitates foreign investment in Vietnam's stock market. Starting 16 June 2025, foreign investors are no longer required to legalize documents when opening indirect investment accounts in VND. The legalization requirement was once a significant obstacle which took investors a few weeks to several months to complete the procedure. This simplification significantly shortens processing time, enhancing market competitiveness and helping investors seize timely opportunities.

In addition, under Circular 03, banks and investors are allowed to mutually agree on whether or not to translate documents into Vietnamese. The bank is responsible for verifying, certifying, and managing the information and documents, rather than requiring consular legalization as previously mandated. This reflects a more flexible approach which helps reduce unnecessary barrier.





DILINH  
LEGAL

# CONTACT

**Dilinh Legal**

1F 139 Hai Ba Trung Street  
Vo Thi Sau Ward, District 3  
Ho Chi Minh City, Vietnam  
<https://dilinh.com/>  
[contact@dilinh.com](mailto:contact@dilinh.com)

**(Dee) Diep Hoang**

Partner

M: [+84] 947 406 026  
[diep.hoang@dilinh.com](mailto:diep.hoang@dilinh.com)

**Michael K. Lee**

Partner

M: [+84] 902 727 935  
[michael.lee@dilinh.com](mailto:michael.lee@dilinh.com)