**Mr Bruno Sivanandan
at the Conference on comments on the Law on E-transactions
Science, Technology and Environment Committee of the National Assembly and VCCI**

Dear Distinguish Guest,

First and foremost, I would like to convey my deepest gratitude to the Science, Technology and Environment Committee of the National Assembly and VCCI for this opportunity to present EuroCham’s comments to the Draft E-Transaction Law.

With the pandemic and all the unprecedented technological, economic, and societal changes Vietnam has seen in recent years, the country has made it a priority to accelerate and better facilitate digital transformation.

Legal reform is a key pillar of the digital transformation agendas of many countries, here in Vietnam, we are witnessing the crafting of new legislation (e.g, the Draft Personal Data Protection Decree) and the updating of outdated legal instruments – the E-Transaction Law being one example and the very reason why we are gathered here today.

EuroCham and its Digital Sector Committee appreciate the Vietnamese Government’s efforts to develop the local legal framework so that it corresponds to the actual needs of consumers and institutions, ensures that the regulations reflect the latest digital trends, and promotes IT applications and facilitates electronic transactions.

Understanding these objectives, EuroCham and its Digital Sector Committee would like to respectfully request that the following considerations be made in relation to the Draft E-Transaction Law:

1. First, we would like to note the importance of ensuring that the Draft E-Transaction Law reflects international practices and enforcement trends. We believe this will enable Vietnam to reach its digital economy growth goals all while fostering a favorable business environment for European investors in Vietnam, and this will ultimately be to the benefit of Vietnamese consumers. Legislative reforms should be made fitting to the relevant political, economic, and legal contexts, and we hope that the Ministry of Information and Communication is able to study the impact, applicability, and operationalization of reforms that have taken place in jurisdictions with more sophisticated electronic transaction regulations to ensure that the Draft E-Transaction Law provides realistic and feasible provisions for Vietnam.
2. Relatedly, we respectfully request that thorough thought and consideration be given to the Draft E-Transaction Law’s classification of digital platforms, which is a first attempt under Vietnamese laws, and the respective requirements imposed on relevant entities. Noting the likelihood of inspiration drawn from EU regulations, we ask that the drafters carefully consider the adaptability and feasibility of such regulations for Vietnam. Also, in the event such an approach is pushed forward, we note the need for more clear and precise definitions (e.g., how will large platforms and dominant platforms be determined – key threshold questions that must be resolved ahead of compliance considerations), and that the MIC and related agencies issue specific instructions and lists of examples of platforms that fall within each category going forward so that relevant entities are able to take steps to be in compliance with the laws.
3. Next, we note that the Draft E-Transaction Law is, in places, redundant, potentially overlaps, and/or should be aligned and consistent with existing legal instruments, including but not limited to, the Civil Code, Decree 72, IT Law, Competition Law, Cybersecurity Law, the Draft Personal Data Protection Decree. The Draft E-Transaction Law also features terms with either overly broad definitions or which are in need of more precision and clarity, which should be addressed to avoid potential compliance issues down the line.
4. Finally – given the broad scope of application, the new classification system of platforms and requirements, and its important role in Vietnam’s digital landscape, we see this to be a key instrument in Vietnam’s myriad of digital laws. To address uncertainties and ultimately ensure best compliance, we suggest that the Draft Law provide for a transition period of 24 months at a minimum.

EuroCham trusts that the developments Vietnam is set to see in terms of its digital economy will foster continued growth, usher in more foreign investment, but also equip local digital businesses with global capacity. As such, we are keen to see practical regulations in the updated E-Transaction Law.

Thank you for your consideration and attention.