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Vietnam lays groundwork for domestic carbon trading market

Vietnam has taken a decisive step toward building a regulated carbon market, issuing a new government decree that establishes the legal and institutional framework for domestic carbon trading. The move signals Hanoi's intent to integrate emissions pricing into its broader climate and economic strategy, while preparing the market infrastructure needed to support future trading activity.

Under Decree No. 29/2026/ND-CP, Vietnam formally defines how greenhouse gas emission quotas and carbon credits will be registered, transferred, traded, and settled within a centralized domestic exchange. The regulation assigns key roles to existing capital market institutions, including the Vietnam Exchange and its Hanoi arm, alongside the Vietnam Securities Depository and Clearing Corporation, effectively mirroring mechanisms used in securities markets.

A central feature of the framework is mandatory registration. All emission quotas and eligible carbon credits must be recorded in a national registry managed by the Ministry of Agriculture and Environment before they can be deposited or traded. Each unit will receive a unique domestic code, a measure designed to prevent double counting and enhance market transparency — a critical prerequisite for investor confidence.

The decree also clarifies governance and disclosure requirements, setting reporting obligations for market participants and defining the responsibilities of state agencies overseeing the exchange. Only quotas and credits compliant with Vietnam's existing emissions-reduction regulations will be eligible for trading, anchoring the market firmly within the country's climate policy framework.

While trading volumes are expected to remain modest in the early stages, analysts see the decree as a foundational step. By aligning carbon trading infrastructure with established financial market systems, Vietnam is positioning itself to gradually scale up a domestic carbon market that could eventually link with regional or international mechanisms.

For policymakers, the challenge ahead lies not in regulation, but in stimulating demand and liquidity — turning a legal framework into a functioning market that delivers both environmental and economic returns. VNS

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Vietnam charts logistics overhaul to anchor global supply chains

Vietnam is positioning logistics as a new pillar of economic competitiveness, unveiling an ambitious national strategy that targets annual sector growth of 12–15% through 2035 as the country seeks to move deeper into global supply chains.

Approved under Decision No. 2229 by Deputy Prime Minister Bui Thanh Son, the Vietnam Logistics Services Development Strategy for 2025–2035 marks a shift from fragmented expansion toward system-wide modernization. The government aims for logistics to contribute 5–7% of GDP over the next decade, while cutting logistics costs to 12–15% of GDP — a critical benchmark for export-oriented economies.

A core objective is efficiency through scale and specialization. Vietnam plans to raise the share of enterprises outsourcing logistics services to 70–80%, reflecting a push toward professionalized third-party providers. The strategy also targets a top-40 ranking in the World Bank's Logistics Performance Index, signaling ambitions to close the gap with regional peers such as Thailand and Malaysia.

Digitalization and sustainability sit at the center of the plan. By 2035, 80% of logistics firms are expected to adopt digital solutions, supported by the development of a domestic logistics technology market. At least five international-standard logistics hubs are to be built, complemented by smart warehouses and upgraded distribution centers. Green logistics — including low-emission transport and renewable energy use — is framed not as an option but a requirement.

Human capital is another bottleneck the strategy seeks to address. Vietnam aims for 70% of logistics workers to receive technical training, with nearly one-third holding university degrees.

Looking to 2050, the government envisions Vietnam as a regional logistics gateway, anchored by free trade zones linked to ports, airports and border crossings — a signal that logistics is no longer a supporting function, but a strategic industry in its own right.

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Vietnam e-commerce enters regulatory maturity phase in 2026

Vietnam's e-commerce sector is set to enter a new phase in 2026, as rapid expansion gives way to tighter rules designed to raise standards and reinforce trust in the digital marketplace. A newly adopted Law on E-Commerce, effective from July 1, marks the country's most significant regulatory overhaul since online retail began scaling nationwide.

The law introduces stricter requirements on seller identification, product traceability, advertising accuracy and platform accountability. Policymakers say the aim is not to slow growth, but to shift the sector toward sustainable, rules-based competition—particularly as multichannel and cross-border platforms become more prominent.

The timing reflects the sector's growing economic weight. Vietnam's e-commerce market reached an estimated US$31 billion in 2025, expanding more than 25% year on year and accounting for roughly 10% of total retail and consumer services. Online trade has also become a key enabler for exports, supporting Vietnam's record US$920 billion in total trade turnover last year.

At the grassroots level, provinces such as Son La are using e-commerce to reduce dependence on intermediaries, bringing agricultural and OCOP products directly to national and overseas consumers via domestic platforms and global marketplaces. Similar digital adoption by cooperatives in the Mekong Delta has widened market access for processed food and specialty goods.

Yet the transition comes with pressure. Transparent producers now compete head-to-head with lower-priced alternatives, making regulatory enforcement critical. By assigning legal liability for misleading information and banning deceptive claims, authorities hope to curb counterfeit goods and restore consumer confidence.

Experts see 2026 as a foundation-building year—standardising digital identities, upgrading logistics and payments, and embedding real-time data transparency—to ensure e-commerce remains a durable driver of Vietnam's digital economy and long-term growth.

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Vietnam seeks to turn energy strategy into action as power supply risks persist

Vietnam is accelerating efforts to implement its long-term national energy security strategy, but delays in power generation and grid projects under the adjusted Power Development Plan VIII are raising concerns over potential electricity shortages in the coming years.

At a recent policy forum, government agencies, industry experts and investors reviewed progress on Resolution 70, the Politburo's key framework for national energy security through 2030, with a vision to 2045. The strategy positions energy as a foundation of economic and national security, calling for supply to stay ahead of demand while ensuring efficiency, affordability and environmental sustainability.

Vietnam's energy sector has expanded rapidly in recent years. Installed power capacity has increased, the energy mix has become more diversified, and renewable energy has grown at scale. Electricity market reforms and efficiency programmes have also supported broader economic development.

However, structural challenges remain. Electricity demand continues to rise sharply as Vietnam targets double-digit economic growth. Peak-period supply constraints, slow transmission expansion, limited energy storage and regulatory frameworks that lag behind technological and market developments are emerging as critical risks. Balancing energy security, competitive pricing and emissions-reduction targets is becoming increasingly complex.

To address these issues, the Ministry of Industry and Trade has rolled out an action programme to implement Resolution 70, aligning it with Power Development Plan VIII. Policy priorities include strengthening regulatory stability, accelerating renewable energy and offshore wind development, investing in smart grids and storage, and mobilising capital through greater private-sector participation.

Without faster execution and stronger coordination between central and local authorities, policymakers warn that Vietnam's energy ambitions could be undermined just as the economy enters its next phase of growth. VNS

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KK Group bets big on Vietnam with global flagship store launch

China's KK Group has deepened its commitment to Vietnam by opening its first global flagship KKV store in Ho Chi Minh City, marking a strategic escalation in its Southeast Asia expansion amid intensifying competition in lifestyle retail.

Located on Le Loi Street, one of the city's prime commercial corridors, the flagship store is positioned less as a conventional outlet and more as a lifestyle destination. Immersive product displays, interactive zones and a broad merchandise mix are designed to capture Vietnam's increasingly experience-driven urban consumers ahead of the Lunar New Year peak season.

Vietnam has emerged as a cornerstone market in KK Group's regional strategy. The company currently operates 20 stores nationwide under three brands—KKV, THE COLORIST and X11—catering largely to young shoppers seeking novelty, variety and social-media-friendly retail environments. With rising disposable incomes and a youthful demographic profile, Vietnam offers fertile ground for the group's fast-scaling, trend-led retail model.

Founded in China, KK Group has built a vast lifestyle retail network, operating more than 1,000 stores across over 200 Chinese cities and expanding rapidly across Southeast Asia. Its flagship brand, KKV, follows the "100 lifestyles" concept, offering around 20,000 stock-keeping units across categories ranging from beauty and trendy toys to food and daily essentials.

The company plans to open around 50 stores in Vietnam this year as part of a broader push to exceed 300 stores across Southeast Asia and more than 500 globally by the end of 2026. In the near term, KKV Vietnam will introduce nearly 5,000 new products in phases, targeting seasonal demand and gift purchases.

For KK Group, the Vietnam flagship is not just a store opening, but a statement of long-term intent in one of Asia's most dynamic consumer markets. VIR

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China's Livzon moves to deepen Vietnam pharma footprint with Imexpharm bid

China's Livzon Pharmaceutical Group is poised to take control of Vietnam's Imexpharm, marking one of the largest inbound transactions in the country's pharmaceutical sector in recent years. Lian SGP Holding, a Singapore-based subsidiary wholly owned by Livzon, has launched a public tender offer to acquire nearly 78% of Imexpharm's shares, valuing the deal at approximately VND6.9 trillion ($263 million).

The offer covers 120 million shares at VND57,400 apiece, representing close to 78% of Imexpharm's charter capital and voting rights. The bid price stands at a premium to the stock's recent trading levels, underlining Livzon's long-term commitment to expanding in Vietnam's fast-growing healthcare market.

Livzon's pursuit of Imexpharm is not new. In mid-2025, the Chinese drugmaker signaled its intention to acquire stakes held by three major shareholders, including South Korea's SK Investment. While earlier plans targeted a smaller controlling interest, the current offer would give Livzon decisive influence over one of Vietnam's leading generic drug manufacturers.

Imexpharm's financial performance has strengthened its appeal. The company posted net revenue of more than VND2.2 trillion in the first 11 months of 2025, up 14% year on year, while pre-tax profit rose 15% to VND410 billion. Its growing domestic distribution network and compliance with international manufacturing standards have positioned it as a strategic platform for regional expansion.

The transaction highlights a broader trend of Chinese pharmaceutical groups seeking overseas growth as domestic competition intensifies, with Vietnam emerging as a key gateway into Southeast Asia's healthcare markets.

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