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DECREE 342/2026/ND-CP: NOTABLE CHANGES TO GOODS TRADING ACTIVITIES OF FOREIGN INVESTORS AND FOREIGN-INVESTED ECONOMIC ORGANIZATIONS IN VIET NAM

On September 3, 2026, the Government issued Decree 342/2026/ND-CP detailing the Law on Commerce and the Law on Foreign Trade Management regarding goods trading activities and activities directly related to goods trading of foreign investors and foreign-invested economic organizations in Viet Nam (**Decree 342**). Decree 342 replaces Decree 09/2018/ND-CP detailing on the Law on Commerce and the Law on Foreign Trade Management on goods trading activities and activities directly related to goods trading of foreign investors and foreign-invested economic organizations in Viet Nam (**Decree 09**), as amended and supplemented by Decree 146/2025/ND-CP prescribing the decentralization and delegation of authority in the fields of industry and trade (**Decree 146**). Certain provisions of Decree 342 may affect foreign investors and foreign-invested economic organizations, specifically as follows:

Firstly, retaining the mechanism for decentralization of authority to province-level People's Committees and adding a mechanism for seeking opinions on national security

Under the previous regulations, the authority issuing the Business License and Retail Establishment License (**Licensing Authority**) was required to seek opinions from the Ministry of Industry and Trade and relevant line ministry. From July 1, 2025, Decree 146 decentralized to province-level People's Committees the performance of the ministries' tasks and powers in such consideration and approval. Decree 342 retains the approach of Decree 146 and abolishes the requirement to seek opinions from the Ministry of Industry and Trade and relevant line ministry, thereby increasing the autonomy of local authorities. Decree 342 directly establishes province-level People's



Committees as the Licensing Authority, specifically: (i) the People's Committee of the province where the enterprise has its head office has authority to issue the Business License; and (ii) the People's Committee of the province where the retail establishment is located has the authority to issue the Retail Establishment License.

Decree 342 also adds provisions on seeking opinions from the Ministry of Public Security and the Ministry of National Defense on national security in the following specific cases:

(i) Cases prescribed in Clause 2, point b Clause 3, and point b Clause 4, Article 9 of Decree 342. For example, a foreign investor that is not from a country or territory participating in an international treaty to which Viet Nam is a party must satisfy the following conditions and criteria:

- Have no overdue tax liabilities, where the economic organization has been established in Viet Nam for one year or more as of the date of application submission;
- Comply with the provisions of relevant sector-specific laws;
- Be consistent with the competitiveness level of domestic enterprises in the same field during the one-year period preceeding the date of application submission.

(ii) Where a foreign investor controls an economic organization that is the operator of an intermediary e-commerce platform, a social network conducting e-commerce activities or an integrated e-commerce platform that is a major digital platform in accordance with the laws on consumer protection and e-commerce.

(iii) Where a foreign investor applies for:

- Issuance of a Retail Establishment License permitting the continued operation of: 100 retail establishments, each with a selling area of under 500 m²; and/or 50 retail establishments, each with a selling area of 500 m² or more but under 3,000 m²; and/or 30 retail establishments, each with a selling area of 3,000 m² or more, in Viet Nam;
- Issuance of a new Retail Establishment License while owning or co-owning: 100 or more retail establishments, each with a selling area of under 500 m²; and/or 50 or more retail establishments, each with a selling area of 500 m² or more but under 3,000 m²; and/or 30 or more retail establishments, each with a selling area of 3,000 m² or more, in Viet Nam.

Secondly, supplementing six-month report and shortening the deadline for annual report submission

Under Decree 09, foreign-invested economic

organizations were required to submit periodic reports once a year, before January 31. Decree 342 requires the reporting entities to submit periodic reports twice a year and, at the same time, shortens the deadline for submitting the annual report, specifically as follows:

- The annual report must be submitted **before January 15**, with the reporting data period running from January 1 to December 31 of the reporting year.
- The report for the first six months of the year must be submitted **before July 15**, with the corresponding reporting data period running from January 1 to June 30 of the reporting year.

Where necessary, foreign investors and foreign-invested economic organizations shall report, provide documents or provide explanation regarding matters related to goods trading activities and activities directly related to goods trading, and retail establishment operations, at the request of the competent state management authority.

In addition, Decree 342 also provides for four methods of submitting reports, including: (i) in person at the Single-Window Division; (ii) via public postal service as prescribed by the Prime Minister; (iii) through service hired from enterprises or individuals, or through authorization in accordance with the law; or (iv) through the electronic environment of the Database, where applicable.

Thirdly, supplementing a case of license revocation

In addition to the cases of license revocation retained from Decree 09, Decree 342 adds a case where an enterprise's license will be revoked if the enterprise is subject to administrative sanctions three times within a 12-month period for violations of the licensed activities, specifically:

- For a Business License, the enterprise's license will be revoked if it is subject to administrative sanctions three consecutive times within a 12-month period for violations of the goods trading activities and activities directly related to goods trading prescribed in the Business License;
- For a Retail Establishment License, the enterprise shall have its license revoked if it is subjected to administrative sanctions three times within a 12-month period for violations of the goods trading activities prescribed in the Retail Establishment License.

Regarding the procedure for license revocation, within 14 working days from the date on which the third administrative penalty decision takes effect, the Licensing Authority shall issue a decision on revocation of the corresponding license.

In addition, Decree 342 also provides for the following transitional provisions:

- Foreign-invested economic organizations whose licenses were issued before October 18, 2026 may continue to conduct the licensed activities.
- A change of address resulting from the rearrangement of province-level administrative units does not give rise to any amendment procedures.
- Applications received before October 18, 2026 will continue to be processed in accordance with Decree 09 and Article 36 of Decree 146. However, where an application is incomplete or invalid and the foreign investor or foreign-invested economic organization fails to provide explanations or supplements within a maximum of six months from the date on which the Licensing Authority requests them, the application will be processed in accordance with Decree 342. Foreign investors and foreign-invested economic organizations should check the date of application receipt and monitor the deadline for providing supplements to correctly determine the applicable regulations.

It can be seen that Decree 342 introduces a number of significant changes, particularly regarding licensing authority and reporting deadlines. Foreign investors and foreign-invested economic organizations should review and study the provisions of Decree 342 to ensure their proper application before and during their operations, including by identifying the appropriate Licensing Authority and, when preparing applications, determining whether their applications are subject to consultation with the Ministry of Public Security and the Ministry of National Defense on national security matters, updating reporting schedules, and cross-checking their actual operations against the licensed activities. In the event that our Clients and readers wish to gain a more comprehensive understanding of procedures for issuance of Business Licenses or Retail Establishment Licenses, or regulations related to goods trading activities of foreign investors and foreign-invested economic organizations in Viet Nam, NHQuang&Associates stands ready to provide further clarification, support, and relevant legal advice.

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