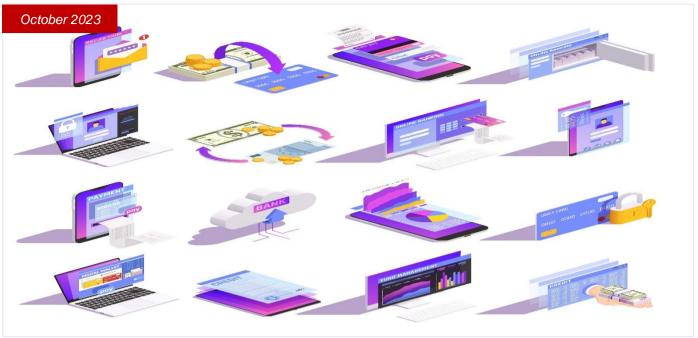
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NEW LAW ON E-TRANSACTIONS PASSED TO BOOST DIGITAL TRANSFORMATION IN VIETNAM

After 18 years since the first Law on E-Transactions was adopted paving the way for technology development in Vietnam, the National Assembly passed the new Law on E-Transactions No. 20/2023/QH15 ("New ET Law") in June 2023. The New ET Law will supersede the existing law from 1 July 2024 and aims at addressing inadequacies under the current legal framework and promoting digitalization in Vietnam.

Conversion between printed documents and data messages

The New ET Law provides regulations to facilitate the conversion of data messages into traditional paper documents and vice versa. Particularly, when making the conversion between the two forms, certain requirements must be met, including:

- the information in the original form shall be ensured with the same integrity as in the converted form;
- if information in paper documents is converted into data message, such information in the data message is accessible and usable for reference. On the other hand, in case of conversion from data message to paper documents, there is enough information to identify the

- information system and its administrator responsible for the original data message converted into paper documents.
- there is a distinctive mark indicating the conversion and information of the entity or individual responsible for this conversion.
- in case the paper document or data message is a license, certificate, written certification, or other written approval issued by a competent agency or organization, the conversion must be signed and sealed (in case of paper documents converted from data messages) or have the digital signature (in case of data messages transformed from paper documents) of the agency or organization performing the conversion, unless otherwise provided for by law.

Recognition of foreign e-signatures and foreign e-signature certificates

The New ET Law outlines conditions for recognizing foreign-domiciled authentication service providers and foreign e-signatures and electronic signature certificates.

For foreign electronic signature certification service providers, these entities, besides conditions on lawful incorporation and technical

matters, need to take note and satisfy two key conditions to be accredited in Vietnam, including (i) updating the status of foreign electronic signature certificates into the trusted service certification system of competent agencies of Vietnam, and (ii) establishing a representative office in Vietnam.

Regarding foreign e-signatures and e-signature certificates, the following requirements must be met to be accepted in Vietnam:

- foreign e-signatures and e-signature certificates must conform to standards and technical regulations electronic on signatures and electronic signature certificates as prescribed by Vietnamese law or recognized international standards or treaties to which Vietnam is a member:
- foreign e-signature certificates are formed based on fully authenticated identification information of foreign organizations and individuals.



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Addition of Trust Services

Compared with the existing legal framework, the New ET Law adds a new business of trust services divided into three categories below:

Timestamp generation service;

- Data message certification service; and
- Public digital signature certification service.

The New ET Law specifies that trust services are conditional business lines in which service providers wishing to render these services need to fulfil certain conditions, including lawful incorporation in Vietnam, and satisfying conditions on finance, personnel and technology. In addition, a trust service provider must obtain a business license granted by the Ministry of Information and Communications with a term of 10 years.

Legal Updates

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