



October 3, 2025

## GLOBAL DATA ALLIANCE COMMENTS ON VIETNAM DRAFT DECREE ON THE LAW ON PERSONAL DATA PROTECTION

The Global Data Alliance (**GDA**)<sup>1</sup> thanks the Ministry of Public Security (**MPS**) for the opportunity to comment on the draft decree detailing a number of articles of the Law on Personal Data Protection (**Draft Decree**).<sup>2</sup> To avoid unintended harms, the GDA recommends that Vietnam explore alternative approaches to the data localization mandates proposed in the law.

The GDA has provided comments on numerous Vietnamese proposed requirements to localize data or restrict data transfers. Those comments can be found [here](#).<sup>3</sup>

The GDA is a cross-industry coalition of companies, headquartered in different regions of the world, that are committed to high standards of data privacy and security. The GDA supports policies that help instill trust in the digital economy without imposing undue cross-border data restrictions or localization requirements that undermine data security, innovation, economic development, and international trade.

GDA member companies are significant investors in Vietnam, investing millions of dollars and supporting thousands of jobs. Data transfers enable the digital tools and insights that are critical to enabling entrepreneurs and companies of all sizes, in every country, to create new kinds of jobs, boost efficiency, drive quality, and improve output.

As the Government of Vietnam develops the Draft Decree, we wish to provide our recommendations to enhance the effectiveness of the legislation, reduce unnecessary impacts on businesses, and better align the legal framework with international practices. Failure to do so could negatively impact the ability of Vietnamese enterprises and other organizations for developing and adopting cutting edge digital technologies, including cloud computing and artificial intelligence.

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<sup>1</sup> For more information on the Global Data Alliance, please see [www.globaldataalliance.org](http://www.globaldataalliance.org)

<sup>2</sup> See Draft Decree, 16 September 2025 at <https://bocongan.gov.vn/chinh-sach-phap-luat/lay-y-kien-du-thao/du-thao-nghi-dinh-guy-dinh-chi-tiet-mot-so-dieu-luat-bao-ve-du-lieu-ca-nhan-1758101607?type=dang-lay-y-kien&tab=fulltext>.

<sup>3</sup> See Global Data Alliance, GDA Comment to the Government of Vietnam (2020 – 2025), at: [https://globaldataalliance.org/resources-results/?pub\\_type=resource-filings&location=loc-vietnam&sector=&language=&posts\\_filtered=1](https://globaldataalliance.org/resources-results/?pub_type=resource-filings&location=loc-vietnam&sector=&language=&posts_filtered=1)

## Cross-Border Data Transfers

The GDA strongly supports the importance of facilitating cross-border transfers of personal data.<sup>4</sup> As mentioned in our previous submissions, the PDP Law and its Draft Decree should enable and encourage global data transfers, which underpin the global economy. Organizations that transfer data globally should implement procedures to ensure the data transferred outside of the country continues to be protected. Where differences exist among data protection regimes, governments should create tools to bridge those gaps in ways that both protect privacy and facilitate global data transfers.

**Revise Restrictions on Cross Border Transfers.** As noted in our prior submissions, restrictions on cross-border transfers have a chilling effect on the local economy as they restrict domestic enterprises and other organizations from fully benefitting from cutting edge technology and services available in the global marketplace. For instance, restrictions on cross-border data transfers may prevent domestic companies, including small and medium-sized enterprises (**SMEs**) and larger organizations such as hospitals, airlines, and banks, from using world leading information technology and cloud computing solutions from service providers that offer their services from outside of Vietnam. Such services frequently provide best in class security capabilities. Domestic companies subject to data transfer restrictions are likely to find it difficult to access such services, reducing their competitiveness, especially internationally, and exposing them to greater data security risks. Restrictions on international data transfers are also resource intensive for government authorities to manage. The multiple requirements required by the impact assessments in the Draft Decree sap the resources of both the businesses seeking to conduct international commerce and the MPS, all with very little if any improvement in the protection of personal information.

While we support privacy and security-protective regulations, the PDP Law and Draft Decree's onerous restrictions on cross-border data transfers undercut data protection and increase the risk that such data may be compromised by reducing access to privacy-protective and secure products and services.

**Recommendation:** The Draft Decree should adopt an accountability-based approach to support cross-border data transfers, under which the transferring organization remains accountable for ensuring that the receiving organization protects the transferred personal data to the same standards as those required under Vietnamese law. Additionally, the Draft Decree should recognize a range of interoperable mechanisms for the cross-border transfer of personal data, such as contracts, including model contracts such as the ASEAN Model Contractual Clauses; intra-group schemes like binding corporate rules; and certifications like the Global and APEC Cross-Border Privacy Rules (**CBPR**) systems.

Under Article 19 of the Draft Decree, each transfer requires: (1) a transfer impact assessment with many reporting obligations, and (2) reporting that transfer impact assessment to the MPS, with the requirement to update the transfer impact assessment accordingly. In practice, these provisions create significant barriers to cross-border data transfers and may significantly discourage use of global technology products and services in Vietnam

**Revise Transfer Impact Assessment Obligations.** The PDP Decree also creates a series of burdensome obligations on transfer impact assessments that should be revised to better support cross-border transfers.

**Recommendation:** First, we strongly recommend that the PDP Law be revised to support international data transfers by permitting companies to transfer data internationally using mechanisms that do not require

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<sup>4</sup> While the GDA's submission focuses primarily on cross-border data matters, concerns have also been expressed regarding the scope and breadth of data classifications within the draft Decree. For example, in Article 4(2)(c), sensitive personal data is defined to include "Data disclosed about private life". This is a very vague framing that and is inconsistent with similar definitions in other jurisdictions. Para (c) should either be clarified or removed. Likewise, in Article 4(2)(k) "sensitive personal data" is deemed to include "financial and credit information and other information related to financial, securities and insurance transactions of customers at credit institutions, foreign bank branches, payment intermediary service providers, securities, insurance, and other licensed organizations." This framing appears unnecessarily broad as it could potentially deem all financial information as sensitive personal data. We recommend that "and other information" be removed from this definition.

companies to conduct transfer impact assessments for each transfer. This would be consistent with international best practice and would help both companies and regulators better focus their resources on material instances.

Second, we recommend amending the Draft Decree so that if an assessment must be submitted to MPS, only the personal data controller is required to submit the transfer impact assessment. Further, MPS should remove the requirement to submit the transfer impact assessment to the data protection authority. Instead, the transfer impact assessment should only be required to be disclosed to either MPS or the data protection authority upon request of the data protection authority.

Sincerely,

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