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Legal Framework for Implementing Digital Transformation Goals in The Context of Vietnam's National Rise

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Abstract: In the context of the new era, the "era of national rise" is more than an aspiration - it is Vietnam's strategic plan to accelerate economic growth, innovation, and global influence to become a developed, high-income country by 2045. To realize this strategic goal, digital transformation is considered a new growth driver and the "operating system" of the national development process. This article comprehensively analyzes the current legal framework in building the foundation for digital government, digital economy, and digital society. The research results show that Vietnam has made important progress with the promulgation of fundamental documents such as the Law on Electronic Transactions 2023, the Law on Data 2024 and the Law on Personal Data Protection 2025. However, the legal system still faces challenges in terms of synchronization, overlap, and delays in forming a legal corridor for new technologies such as artificial intelligence (AI) and digital assets. These limitations not only create uncertainty for businesses but also act as barriers to attracting highquality investment, which can hinder development progress. On that basis, the article proposes policy recommendations to improve the legal system in a synchronous, flexible, and people- and businesscentered manner, while encouraging innovative testing mechanisms (regulatory sandboxes) to ensure that digital transformation truly becomes a lever for Vietnam to successfully breakthrough in the new era.

Keywords: Vietnam's national rise, digital transformation, legal framework, digital economy, artificial intelligence.

Introduction

The concept of "a new era of development - Vietnam's era of national rise," as widely discussed today, is closely linked to the vision and leadership of General Secretary To Lam. This marks a historic shift—one that reflects both reality and ambition, blending optimism with strategic planning as Vietnam prepares to enter its next phase of national progress. This is not only a symbolic idea but also the start of a breakthrough development period across all areas, from the economy, politics, society, and culture to the people. The foundation of this new era is built on the significant achievements of nearly 40 years of renovation, which have strengthened Vietnam's position and resources to achieve major strategic goals such as becoming a modern industrialized country with a high average income by 2030 and a developed, high-income country by 2045.

In the context of globalization and the Fourth Industrial Revolution, digital transformation is identified as one of the most important driving forces, the "new operating system" for growth, innovation, and integration. Digital transformation is not simply the digitization of data, but a process of comprehensively changing the operating model, management methods, and service provision based on digital technology platforms. Therefore, to realize the aspiration of "Vietnam's era of national rise" and the goals of digital government, digital economy, and digital society, a solid, synchronous, and flexible legal foundation is a key factor.

However, this process is also facing many institutional and policy challenges. Do current legal documents meet the requirements of digital transformation? What are the bottlenecks that need to be removed to create favorable conditions for businesses and people? This article is designed to answer the above questions.

1. Digital Transformation - The Pillar of Vietnam's National Era

1.1. "A new era of development - Vietnam's era of national rise": Meaning and Strategic Vision

"Era" can be understood as a certain historical period in the development process of a nation, in which strategic goals and tasks are completed, marked by qualitative changes in society, with very clear and typical development milestones, and opening a new page of history. Each era is determined by many factors, in which internal strength is the decisive factor, and is also affected by external factors, international and contemporary in the world. The development era of the Vietnamese nation is a certain historical period in the development process of the nation, in which strategic goals and tasks are implemented, completed, creating a turning point in the next development process of the nation.

Looking back at Vietnamese history, since the founding of the country (September 2, 1945), Vietnam has been going through: The first era is the era of independence, freedom, and building socialism (1930 - 1975); The second era is the era of national unification, innovation, and development (1975 - 2025); and now, Vietnam is entering the third era, the era of national growth, which started with the 14th National Party Congress, marking 40 years of innovation (1986 - 2026).

The concept of "The era of the Vietnamese people's rise" is a message emphasized by Vietnamese General Secretary To Lam in many speeches, urging a spirit of strong, decisive, and confident action to overcome challenges. According to General Secretary To Lam, the era of rise "is the era of development, the era of prosperity under the leadership and governance of the Party, successfully building a socialist Vietnam. The destination of the era of rise is a rich people, a strong country, a socialist society, standing shoulder to shoulder with the world powers. The top priority in the new era is to successfully implement the strategic goals by 2030, Vietnam becomes a developing country with modern industry and high average income; by 2045, it becomes a developed socialist country with high income".

This is the establishment of a breakthrough development period, not only based on internal strength but also closely combining national strength with the strength of the times. This era aims for a prosperous and happy country, with the specific goal of becoming a developed, high-income country by 2045.

The meaning of this vision is to create a great political and spiritual motivation, unifying the Party, the State with the entire people. The "era of the rise of the Vietnamese nation" takes place in a very new context, a world context with many epochal movements, affecting the security and development of all countries and peoples, including Vietnam. The fourth industrial revolution is creating a new economic era, a digital

economy, globalization, sustainable development, and artificial intelligence. By placing digital transformation in the context of a great national aspiration, this process is no longer just a technical or economic task but becomes a vital strategy for Vietnam to be able to "stand shoulder to shoulder" with the great powers. This vision provides a solid framework for development policies, including digital transformation policies, to be built and implemented consistently and resolutely. Therefore, building a complete legal framework for digital transformation is an indispensable step to turn this aspiration into reality.

1.2. National Digital Transformation Strategy: Realizing the Aspiration of a Strong and Prosperous Vietnam

To realize the aspiration of "rising", Vietnam needs to take breakthrough and drastic steps, in which digital transformation plays a key role, the key for Vietnam to achieve sustainable development goals.

According to the viewpoint shared by General Secretary To Lam at the Ho Chi Minh National Academy of Politics, Hanoi, Digital transformation is not simply the application of digital technology to socio-economic activities, but also the process of establishing a new, advanced and modern production method - "digital production method", in which the characteristic of the productive forces is the harmonious combination of humans and artificial intelligence; data becomes a resource, an important means of production; at the same time, production relations also have profound changes, especially in the form of ownership and distribution of digital means of production.

Implementing digital transformation revolution with strong, comprehensive reforms to adjust production relations, create new momentum for development, and take full advantage of opportunities and advantages brought about by the Fourth Industrial Revolution, the Vietnamese Government has issued a series of important policies and strategies, in which digital transformation is identified as a key driving force to promote socio-economic development. The main legal documents include:

National Digital Transformation Program to 2025, vision to 2030 (Decision 749/QD-TTg) is a comprehensive development strategy, identifying three main pillars: Digital Government, Digital Economy, and Digital Society. This program serves as a guideline for the development and implementation of digital

transformation plans in ministries, branches, and 63 provinces and cities.

National strategy for digital economy and digital society development to 2025, with a vision to 2030 (Decision 411/QD-TTg) specifies the goals and tasks, providing a total of 171 key tasks and solutions in 25 different fields.

Strong political commitment is demonstrated by the Prime Minister directly chairing national digital transformation events and directing the promotion of strategic breakthroughs in digital institutions, digital infrastructure, and digital human resources. Quantitative targets have been set and initial positive results have been achieved. For example, the rate of smartphone use reached over 87% and the digital economy accounted for over 18% of GDP by 2024, with expectations of increasing to 30-35% by 2030.

This commitment is a strong driving force, helping Vietnam to break through, move forward to the new era. However, the implementation of these strategies in practice requires the synchronization and harmony of legal documents, avoiding delays or lack of connection, which can create barriers to development.

2. Legal Foundation for Digital Transformation

2.1. Fundamental Legal Framework: Electronic Transactions and Digital Infrastructure

The foundation of digital transformation activities is the ability to conduct transactions in the digital environment with full legal value. The Law on Electronic Transactions 2023, passed by the 15th National Assembly at its 5th Session, has created a favorable legal corridor, expanding the scope of application to all activities of social life. This law is considered an important step forward, promoting the process of converting transactions from the physical environment to the digital environment. The highlights of the new law include:

Legal value of data messages: The Law has detailed the method of determining the legal value of data messages, ensuring that digital data has the same value as paper documents.

Electronic signatures and electronic contracts: Regulations on electronic signatures and electronic contracts have been supplemented and detailed, resolving legal issues in online transactions throughout the process.

Electronic transactions of state agencies: The Law

supplements regulations on data management, national databases, and open data, aiming to move all activities of state agencies to the digital environment.

Building a solid legal foundation for e-transactions is a core factor for other pillars of digital transformation to develop. It helps minimize risks, create trust for people and businesses when participating in digital activities, thereby promoting the development of the digital economy and digital society.

2.2. Legal Framework on Data: Security, Development, and Privacy Issues

Data is considered an asset, a resource, and a prerequisite for digital transformation. Currently, the legal framework for data in Vietnam is shaped by two core documents: the Data Law 2024 and the Personal Data Protection Law 2025. The parallel existence of these two laws reflects a unique "dualistic" approach: considering data as a strategic asset that needs to be exploited for economic development and ensuring national security, while also striving to protect personal privacy according to international standards.

The Ministry of Vietnamese Public Security's leading role in administering both laws reflects Vietnam's top priorities of national security and information security. This approach ensures focus and consistency in managing sensitive data-related issues, but also requires flexibility and a balance to avoid creating unnecessary barriers to business and innovation.

2.3. Legal Framework for New Technology Sectors: Al and Digital Assets

In the context of explosive technological development, especially artificial intelligence (AI) and blockchain technologies, Vietnam has quickly recognized the importance of building policies to take advantage of opportunities. The Prime Minister has issued the National Strategy on AI Research, Development, and Application to 2030, with the goal of turning Vietnam into a regional AI innovation center. Blockchain technology is also identified as one of 11 national strategic technologies.

However, a complete legal framework for these areas is still lacking. Although initial drafts and regulations have been developed, many experts have expressed concerns that this delay, along with the possibility that regulations, if too strict, could stifle innovation. The rapid development of AI technology and digital assets has made the legal system unable to keep up, leading to

many challenges in determining intellectual property rights, liability when AI causes losses, and managing emerging risks. Building a legal corridor that is "open" enough but still ensures safety and risk management is a difficult problem that Vietnam is facing.

3. Challenges and Bottlenecks in Completing the Legal Framework

3.1. Asynchrony and overlap of the legal system

One of the biggest challenges of the legal framework for digital transformation in Vietnam is the lack of uniformity and overlap between legal documents. Although there are separate laws and decrees, these regulations are not interconnected between areas such as science and technology, e-commerce, intellectual property, and cybersecurity. This leads to a lack of legal certainty, making it difficult for businesses, especially small and medium-sized enterprises (SMEs), to implement new business models based on digital technology. This lack of uniformity is a consequence of the development of laws in separate areas, without a comprehensive, overarching "digital law". This forces businesses to fumble around, accept risks, and can slow down the digital transformation process of the private sector.

3.2. Barriers to Implementation and Investment Attraction

The incomplete legal framework is not only an internal problem but also a major barrier to the goal of attracting high-quality foreign direct investment (FDI). International investors, especially in the high-tech sector, require stability, consistency, and transparency of the legal system to make long-term investment decisions. When regulations on cross-border data, digital intellectual property or legal liability are unclear, FDI enterprises will face more risks, reducing the attractiveness of Vietnam's investment environment.

In addition, the digital transformation process of domestic enterprises also faces many difficulties. Typical challenges include limited initial investment budgets, a lack of digitally skilled personnel, and inadequate awareness among leaders of the importance of changing organizational culture. Although the Government has many supporting policies, the lack of a clear digitalization process and a consistent legal corridor still causes many SMEs to implement half-heartedly or fail.

3.3. Challenges in Risk Management in the Digital Space

The development of digital technology also brings new risks. The abuse of technology for fraud, cyber-attacks, and personal data violations is increasing, posing urgent requirements for management and prevention. The draft regulations on digital transformation have begun to prohibit a number of new behaviors, including the abuse of digital platforms for fraud, scams, and the creation or editing of content using artificial intelligence without clear labels that cause confusion. The inclusion of these regulations in the prohibited list shows Vietnam's proactiveness in identifying and managing risks from new technologies. However, the implementation of these regulations needs to be carefully considered so as not to inadvertently create unnecessary barriers to the development of AI technology and other innovative applications.

4. Orientation for Perfecting Legal Policy

To perfect the legal framework, turning digital transformation into a real lever for the era of "rising forward", some main solutions were proposed in the speech of General Secretary To Lam as follows: (i) Focus on building a legal corridor for digital development, creating a foundation for Vietnam to seize opportunities from the Fourth Industrial Revolution. Regularly review and promptly amend inappropriate regulations, creating a corridor for new economic models such as the sharing economy, circular economy, and artificial intelligence, ensuring that the legal framework does not become a barrier to development, while ensuring national security, protecting the legitimate rights and interests of people and businesses; (ii) Having a breakthrough mechanism to attract domestic and foreign talents; building a strategy to develop human resources with knowledge, skills, and innovative thinking, meeting the requirements of the digital economy and the Fourth Industrial Revolution; (iii) Promoting the application of information technology, building a digital platform to connect and share data between agencies and organizations. The goal by 2030 is that Vietnam will be among the top 50 countries in the world and ranked 3rd in ASEAN in e-government and digital economy; (iv) Promoting digital transformation associated with ensuring security and safety, focus on building a digital society, comprehensively digitizing state management activities, and providing high-level online public services; synchronous connection of national databases on population, land, and enterprises, creating a foundation streamlining the apparatus and reforming administrative procedures substantially; developing the

digital economy and building digital citizens.

Conclusion

Digital transformation is the inevitable path for Vietnam to realize its aspiration of "rising" to become a developed, high-income country. With the determination and efforts of the entire political system, Vietnam has made significant progress in building a fundamental legal framework. However, for this process to be truly sustainable and breakthrough, it is necessary to continue to perfect the legal system in a synchronous, flexible, and creative direction.

A comprehensive legal system, with people and businesses at the center, will be a solid launching pad for digital technologies to be applied safely and effectively, thereby creating new growth drivers, pushing Vietnam forward strongly and confidently in the new era.

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