

RESEARCHING ON THE LEGAL FRAMEWORK GOVERNING E-COMMERCE PLATFORMS IN VIETNAM

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Abstract: This study investigates the legal framework regulating the operation of e-commerce platforms (EC platforms) in Vietnam, focusing on evaluating current regulations, the status of their application, and the prominent challenges amidst the rapid development of e-commerce. Employing legal text analysis, international comparisons with countries like Singapore and South Korea, and secondary data analysis from reports by the Ministry of Industry and Trade, the study reveals that Vietnam's legal framework has achieved significant progress, particularly in protecting consumer rights and enhancing information transparency. However, inconsistencies remain, such as the lack of synchronicity among legal documents, penalties for violations that are not sufficiently stringent, and issues related to personal data protection, especially cases of customer information leaks. Furthermore, the dispute resolution mechanism on EC platforms is limited, lacking a specialized agency and an effective online processing system. The paper proposes several specific solutions, including strengthening the legal responsibilities of EC platforms, perfecting the legal framework through the issuance of detailed regulations on data protection and dispute resolution, establishing a specialized e-commerce agency, promoting international cooperation, and raising consumer awareness about their rights and responsibilities when engaging in online transactions. These solutions aim to ensure the sustainable development of e-commerce, enhance consumer trust, and support international economic integration.

Keywords: *E-commerce, e-commerce platform, legal framework, consumer protection, personal data, dispute resolution, e-commerce governance, international integration, Vietnam*

1. Introduction

E-commerce (EC) in Vietnam is currently undergoing a period of robust development, emerging as one of the key pillars of the digital economy and reshaping the methods of commerce and consumption in modern society. The ubiquity of the internet and technological advancements have propelled EC platforms like Shopee, Lazada, Tiki, Sendo, and TikTok Shop into indispensable intermediaries, connecting millions of buyers and sellers nationwide. According to a report by the Ministry of Industry and Trade (MoIT), Vietnam's EC revenue reached approximately 25 billion USD in 2024, a 25% increase compared to 2023, positioning Vietnam as one of the fastest-growing EC markets in Southeast Asia (MoIT, 2024). These EC platforms not only provide a convenient transaction environment but also foster innovation in fields such as e-payment, logistics, and supply chain management, generating significant economic opportunities. However, this rapid growth also brings complex legal challenges, including protecting consumer rights, ensuring the security of personal information, resolving disputes between buyers and sellers, and preventing commercial fraudulent acts such as the sale of counterfeit goods, knock-offs, and misleading advertisements.

Particularly in the context of international economic integration, with the increasing presence of cross-border EC platforms like Amazon and TikTok Shop, the need to build a synchronous, transparent, and effective legal framework has become urgent to ensure the

sustainable development of this sector. This paper focuses on analyzing the current legal framework governing the operations of EC platforms in Vietnam, including important documents such as the Law on E-transactions 2005, Decree 52/2013/ND-CP (amended by Decree 85/2021/ND-CP), and the Law on Protection of Consumer Rights 2023. By evaluating the practical application of the law and comparing it with international experiences from countries with developed EC, such as Singapore and South Korea, the study will clarify the achievements, existing limitations, and propose specific solutions aimed at perfecting the legal framework for EC platform governance. The goal is to contribute to building a transparent, safe, and reliable EC environment that meets consumer needs and supports the sustainable development of Vietnam's digital economy. The decision to study the legal framework for EC platform governance stems from the timeliness and practical significance of the issue. The explosion of EC has created a vibrant market but has also led to an increase in complaints related to online transactions, with 34% of cases concerning the illegal collection and use of personal information (Bui, 2020).

Cases such as customer data leaks and violations concerning product quality have eroded consumer trust, demanding a more stringent legal framework. Furthermore, the current legal framework, despite improvements, still reveals several disadvantages, such as a lack of synchronicity among legal documents, penalties for violations that lack sufficient deterrence, and the absence of an effective online dispute resolution mechanism, which creates difficulties for both regulatory bodies and consumers. In the context of Vietnam's participation in free trade agreements like the Agreement for Trans-Pacific Partnership (CPTPP) and Regional Comprehensive Economic Partnership (RCEP), building a legal framework that not only meets domestic standards but also aligns with international commitments is necessary to enhance Vietnam's position in the global EC market. Moreover, this study holds high academic and practical significance, providing a foundation for retaining, businesses, and consumers in perfecting and applying the law. By learning from the experiences of countries with EC, the research will propose practical solutions to enhance transparency, protect personal data, and promote the sustainable development of EC in Vietnam, contributing to the establishment of a fair and efficient online market.

2. Literature Review

2.1. Theoretical Framework

EC has become a significant driver in the global digital economy, and in Vietnam, EC platforms play a central role in promoting the buying and selling of goods and the provision of online services. According to Decree 52/2013/ND-CP, an EC platform is defined as a website or application that allows traders, organizations, and individuals who are not the owner or manager of the website to conduct business activities, including the sale of goods or the provision of services (Government of Vietnam, 2013). EC platforms, such as Shopee, Lazada, Tiki, Sendo, and TikTok Shop, do not just act as intermediaries connecting buyers and sellers; they also provide advanced technical tools, including online payment systems, inventory management, product search tools, and seller rating mechanisms, to optimize the transaction experience. The Ministry of Industry and Trade's report (2024) indicates that Vietnam's EC revenue reached approximately 25 billion USD in 2024, a 25% increase compared to 2023, affirming the role of EC platforms in boosting the digital economy and changing Vietnamese consumer habits (MoIT, 2024). Key characteristics of EC platforms include information transparency, the ability to process large volumes of transactions, and the flexibility to integrate new technologies like Artificial Intelligence (AI) and big data analysis to personalize user experience.

The legal framework governing EC platforms in Vietnam is built upon a system of legal documents, including the Law on E-transactions 2005, Decree 52/2013/ND-CP (amended and supplemented by Decree 85/2021/ND-CP), the Law on Protection of Consumer Rights 2023, and related circulars such as Circular 47/2014/TT-BCT, Circular 01/2022/TT-BCT, and Circular 04/2016/TT-BCT. The Law on E-transactions 2005 laid the legal foundation for EC activities by recognizing the legal validity of data messages, digital signatures, and electronic transactions, facilitating the lawful and reliable operation of EC platforms (National Assembly of Vietnam, 2005). Decree 52/2013/ND-CP details EC activities, including requirements for the registration or notification of EC platform operations with the Ministry of Industry and Trade, the responsibility to disclose information about goods, services, and seller information, as well as measures to protect consumer rights (Government of Vietnam, 2013). Decree 85/2021/ND-CP adds regulations to strengthen the responsibilities of EC platforms, especially in providing transparent information about the origin of goods and handling violations, such as the sale of counterfeit goods or false advertising (Government of Vietnam, 2021).

The Law on Protection of Consumer Rights 2023 represents a significant step forward in protecting consumers on EC platforms, with specific regulations on the right to be provided with full information, the right to ensure transaction safety, and the right to demand compensation for damages in case of violations (National Assembly of Vietnam, 2023). Circular 47/2014/TT-BCT and Circular 01/2022/TT-BCT regulate the management of EC websites and applications, requiring platforms to carry out administrative procedures such as notifying or registering their operations, while also ensuring transparency and security in online transactions (MoIT, 2014; MoIT, 2022). Furthermore, Circular 04/2016/TT-BCT amended and supplemented some regulations to simplify administrative procedures in the EC sector, creating favorable conditions for EC platforms to operate legally and reducing the administrative burden on businesses (MoIT, 2016).

Tax management on EC platforms is a critical factor in ensuring fairness between traditional and online businesses, and in preventing tax evasion and fraud. However, the application of current tax regulations still faces many difficulties due to the specific nature of EC, such as the anonymity of some sellers, the complexity in determining actual revenue, and cross-border transactions involving international EC platforms like Amazon and TikTok Shop. Regulations in Decree 91/2019/ND-CP on anti-tax evasion and Circular 19/2021/TT-BTC on tax management for EC have set specific requirements for verifying seller identities and reporting revenue, but their implementation requires close coordination among EC platforms, tax authorities, and other regulatory bodies (Government of Vietnam, 2019; Ministry of Finance, 2021). From a theoretical perspective, tax management on EC platforms is not just an issue of budget collection but also contributes to building a transparent and fair online business environment that aligns with international integration commitments, especially as Vietnam participates in free trade agreements like the CPTPP and RCEP.

In addition, Decree 117/2025/ND-CP specifies the mandatory use of E-invoices, the application of an automatic declaration system, and the standardization of transaction data to enhance tax collection efficiency. The document also sets forth sanctions for strictly handling cases where E-commerce platforms fail to fulfill their obligation to provide information, or deliberately conceal or falsify sellers' revenue data. Specially, this decree extends its scope of regulation to include cross-border digital platforms, requiring foreign E-commerce platforms operating in Vietnam to register and fulfill tax obligations similar to domestic enterprises, thereby ensuring fairness and transparency among all business entities.

Theoretically, Decree No. 117/2025/ND-CP not only reinforces the legal foundation for e-commerce tax administration but also reflects the trend of “Digitization of State management”, aiming for a comprehensive electronic tax model (e-Tax). The introduction of this decree represents a new management approach—transitioning from a post-audit mechanism to a pre-audit mechanism, and from manual processing to real-time data management. This develops the legal framework for the application of Artificial Intelligence and Big Data Analysis in monitoring E-commerce transactions.

Furthermore, the issuance of Decree 117/2025/ND-CP holds significant meaning in ensuring tax fairness between traditional and online businesses, contributing to increasing State Budget revenue while creating an equal, transparent, and sustainable business environment. This Decree also helps raise the legal awareness and social responsibility of online business households and individuals regarding tax compliance, thereby promoting the healthy development of Vietnam's E-commerce market.

Overall, the current legal framework—including the Law on Electronic Transactions 2005, Decree 52/2013/ND-CP, Decree 85/2021/ND-CP, the Law on Protection of Consumer Rights 2023, and particularly Decree 117/2025/ND-CP—has established a comprehensive theoretical and legal basis for e-commerce management activities in Vietnam. The synchronized updating, deployment, and coordinated enforcement of these regulations not only enhance the effectiveness of state management but also guide E-commerce development toward transparency, responsibility, and international integration, aligning with Vietnam's National Strategy for Development of Digital Economy until 2030.

From a theoretical perspective, the governance of EC platforms must not only ensure legal compliance but also meet the requirements for personal data protection, cybersecurity, and online dispute resolution. However, the current legal framework still reveals several limitations, such as the lack of detailed regulations on personal data protection in the EC environment, the ineffectiveness of the online dispute resolution mechanism, and the application of penalties for violations that are not sufficiently deterrent. These limitations necessitate a comprehensive theoretical approach that combines state management, corporate responsibility, and consumer awareness. Moreover, in the context of international economic integration, with the participation of cross-border EC platforms, the legal framework needs to be adjusted to align with international standards, such as those committed in the CPTPP. The current legal documents form an important theoretical basis for analyzing the actual status of EC platform governance in Vietnam, while also providing the foundation to propose solutions for its perfection, in order to meet the demands of a rapidly developing and globally integrated EC market.

2.2. Literature Review

Research on the legal framework governing EC platforms in Vietnam and globally has been conducted from various perspectives, including the legal liability of EC platforms, consumer protection, online dispute resolution, and the application of technology in governance. These studies provide important theoretical and practical foundations for evaluating the current legal framework and proposing solutions for its perfection.

In Vietnam, numerous studies have focused on the legal framework and the reality of EC platform governance. Cao Xuan Quang (2020) analyzed the liability of traders in providing information about goods and services to consumers, emphasizing that current regulations, such as Decree 52/2013/ND-CP, require EC platforms to publicly disclose transparent information, but implementation still faces difficulties due to the lack of sufficiently strong penalties and the inconsistency among legal documents (Cao, 2020). Similarly, Chi Hieu (2021) pointed out that the

controversy over the joint liability of EC platforms in cases of counterfeit or fake goods remains a hot topic, with many opinions suggesting that platforms should bear greater responsibility to protect consumers (Chi Hieu, 2021). Meanwhile, Trung and Duc (2024) used the PLS-SEM model combined with neural networks to analyze EC law in Vietnam, emphasizing that factors such as personal data protection, dispute resolution, and information transparency are the main challenges in building an effective legal framework (Trung & Duc, 2024). The study by Van Nam et al. (2022a) focused on Online Dispute Resolution (ODR) in EC, showing that Vietnam needs to develop modern ODR mechanisms, learning from countries like Singapore and South Korea, to enhance the effectiveness of dispute resolution on EC platforms (Van Nam et al., 2022a). Additionally, Hoa and Chen (2020) analyzed the policy environment for EC in Vietnam, stressing that regulations on EC connectivity need to be harmonized with ASEAN standards to support regional integration (Hoa & Chen, 2020).

On the international level, studies offer a comparative perspective on the legal liability and governance of EC platforms. Akriti Chaubey (2021) discussed the responsibility of EC platforms in cases of defective goods or services, arguing that platforms should bear secondary liability if they fail to control the quality of the sellers' products (Chaubey, 2021). Likewise, Allison L. Pavero (2011) argued that internet service providers (ISPs), including EC platforms, should be held legally liable if they knowingly host websites selling counterfeit goods, citing the case of *Louis Vuitton v. Akanoc Solutions* (Pavero, 2011). Enrico Bonadio (2012) analyzed the ruling of the European Court of Justice in the case of *L'Oreal v. eBay*, confirming that EC platforms must be held liable if they do not take measures to prevent trademark infringement (Bonadio, 2012). In the US, the proposed Shop Safe Act of 2021 (S.1843) suggests measures requiring EC platforms to verify seller information to prevent counterfeit goods, setting an important precedent for EC governance (Congress.gov, 2021).

Other studies emphasize the role of technology and governance in EC. Van Nam et al. (2022b) pointed out that major technological trends, such as Artificial Intelligence (AI) and blockchain, are reshaping the way disputes are resolved and EC platforms are managed in Vietnam, but their application is limited due to the lack of a supportive legal framework (Van Nam et al., 2022b). Similarly, Anh et al. (2022) applied machine learning methods to analyze customer reviews of fresh food on EC platforms, suggesting that regulations on product information disclosure need to be improved to increase consumer trust (Anh et al., 2022). The study by He and Zhang (2022) proposed a multi-stakeholder governance model for EC platforms, in which relevant parties (government, EC platforms, sellers, and consumers) need to coordinate closely to ensure transparency and fairness (He & Zhang, 2022). Prakash (2023) and Mujtaba and Cavico (2023) highlighted the importance of establishing a legal framework and compliance policies to protect both consumers and sellers, particularly in the context of the growing development of cross-border EC (Prakash, 2023; Mujtaba & Cavico, 2023). Finally, Bich and Nguyen (2020) compared EC laws between Vietnam and Indonesia, suggesting that Vietnam should learn from Indonesia's experience regarding flexible and easily implementable regulations to support small enterprises participating in EC (Bich & Nguyen, 2020).

The overview of the literature demonstrates that EC platform governance is a complex issue, requiring a balance between the legal liability of platforms, consumer rights, and technological innovation. Domestic and international studies provide the basis for evaluating the legal framework in Vietnam, while also pointing out the gaps that need to be addressed, such as personal data protection, online dispute resolution, and strengthening penalties for violations. These analyses form the foundation for assessing the current situation and proposing solutions to perfect the legal

framework for EC platform governance in Vietnam.

3. Research Methodology

The study employs a combination of multiple methods to evaluate the legal framework governing EC platforms in Vietnam, ensuring comprehensiveness and objectivity in the analysis of the current status, limitations, and proposed solutions. The main methods include:

Legal Text Analysis:

The study conducts an analysis of the current legal documents related to EC platform governance in Vietnam, including the Law on E-transactions 2005, Decree 52/2013/ND-CP (amended by Decree 85/2021/ND-CP), the Law on Protection of Consumer Rights 2023, and circulars such as Circular 47/2014/TT-BCT, Circular 01/2022/TT-BCT, and Circular 04/2016/TT-BCT. This method helps to clarify the legal basis, specific regulations on the responsibilities of EC platforms, consumer protection, and requirements for information transparency, thereby assessing the suitability and effectiveness of the legal framework.

International Comparison:

The research conducts an international comparison of Vietnam's legal framework with those of countries with developed EC markets, such as Singapore and South Korea. The comparative aspects include the legal liability of EC platforms, Online Dispute Resolution (ODR) mechanisms, personal data protection, and the application of technology in governance. This method helps to identify the gaps in Vietnam's legal framework and learn from the experiences of effective governance models in other countries.

Secondary Data Analysis:

Secondary data is collected from official reports by the Ministry of Industry and Trade (e.g., Summary Report on Vietnam EC Activities 2024), academic studies, and international documentation sources. These materials provide information on EC revenue, violation rates, issues regarding personal data, and the reality of dispute resolution. This method provides the study with a practical basis for evaluating the effectiveness of law application and identifying prominent challenges.

Synthesis and Qualitative Analysis:

The study synthesizes academic opinions from referenced sources, including articles, previous research (such as Cao Xuan Quang, 2020; Chi Hieu, 2021; Trung & Duc, 2024), and practical reports to evaluate the limitations and achievements of the legal framework. Qualitative analysis is used to issues such as personal data protection, ODR mechanisms, and the legal liability of EC platforms, from which specific solutions are proposed.

4. Research Results and Discussion

4.1. Status of Legal Application the Legal Framework for EC Platform Governance in Vietnam

The legal framework governing EC platforms in Vietnam has been established based on a relatively comprehensive system of legal documents, including the Law on E-transactions 2005, Decree 52/2013/ND-CP (amended and supplemented by Decree 85/2021/ND-CP), the Law on Protection of Consumer Rights 2023, and related circulars such as Circular 47/2014/TT-BCT, Circular 01/2022/TT-BCT, and Circular 04/2016/TT-BCT. These documents have created the legal foundation to regulate the operations of major EC platforms like Shopee, Lazada, Tiki, Sendo, and TikTok Shop, contributing significantly to the development of the EC sector, which reached a revenue of approximately 25 billion USD in 2024, an increase of 25% compared to 2023 (MoIT,

2024). This growth not only reflects the economic potential of EC but also shows the role of EC platforms in shaping consumer habits and fostering innovation in areas like e-payment, logistics, and supply chain management.

The Law on E-transactions 2005 serves as the foundation, recognizing the legal validity of data messages, digital signatures, and electronic transactions, enabling EC platforms to operate legally and securely (National Assembly of Vietnam, 2005). Decree 52/2013/ND-CP details EC activities, requiring EC platforms to complete administrative procedures for notification or registration with the Ministry of Industry and Trade, while also publicly disclosing information about goods, services, and seller information to ensure transaction transparency (Government of Vietnam, 2013). Decree 85/2021/ND-CP adds regulations to strengthen the responsibilities of EC platforms, particularly in inspecting and verifying the origin of goods, as well as dealing with violations such as the sale of counterfeit goods, knock-offs, or false advertising (Government of Vietnam, 2021). The Law on Protection of Consumer Rights 2023 enhances consumer protection standards, clearly stipulating fundamental rights such as the right to be provided with full information, the right to ensure transaction safety, and the right to demand compensation for damages in case of violations, thereby increasing consumer trust in EC platforms (National Assembly of Vietnam, 2023). Circulars such as Circular 47/2014/TT-BCT and Circular 01/2022/TT-BCT provide specific guidance on managing EC websites and applications, requiring platforms to comply with administrative procedures and ensure transparency in business operations (MoIT, 2014; MoIT, 2022). Furthermore, Circular 04/2016/TT-BCT has simplified certain administrative procedures, helping to reduce the burden on EC platforms and creating favorable conditions for lawful business activities (MoIT, 2016).

The practical application of the legal framework reveals several significant achievements. According to Cao Xuan Quang (2020), the regulations in Decree 52/2013/ND-CP and Decree 85/2021/ND-CP have notably improved transparency on EC platforms, making it easier for consumers to access information about products, services, and sellers, thereby mitigating transaction risks (Cao, 2020). The Ministry of Industry and Trade's report (2024) indicates that major EC platforms in Vietnam have implemented more effective mechanisms for controlling product and service quality, such as using seller rating systems and product content moderation mechanisms, contributing to a reduction in serious violations related to counterfeit and knock-off goods (MoIT, 2024). The Law on Protection of Consumer Rights 2023 marked a major advancement in consumer protection, with specific regulations on the responsibilities of EC platforms in handling complaints and compensating for damages, thus enhancing service quality and strengthening consumer trust (National Assembly of Vietnam, 2023). Furthermore, the simplification of administrative procedures through Circular 04/2016/TT-BCT has created favorable conditions for businesses, especially Small and Medium-sized Enterprises (SMEs), to participate in the EC market (MoIT, 2016).

However, the practical application of the law also exposes several notable limitations. Trung and Duc (2024), using the PLS-SEM model combined with neural networks to analyze EC law in Vietnam, pointed out that the current regulations still lack synchronicity, particularly in personal data protection, Online Dispute Resolution (ODR), and the application of penalties for violations (Trung & Duc, 2024). The issue of personal data protection is one of the biggest challenges. Anh et al. (2022) analyzed customer comments on EC platforms and found that about 34% of complaints related to the illegal collection and use of personal information, with many instances of data leaks from major EC platforms raising concerns about cybersecurity (Anh et al., 2022). Although the Law on Cybersecurity 2018 introduced regulations on personal information protection, these rules

still lack specificity and have not been fully integrated into the EC platform governance framework, leading to difficulties in handling personal data-related violations.

The Online Dispute Resolution (ODR) mechanism in Vietnam is also a significant weakness. Van Nam et al. (2022a) noted that Vietnam has yet to develop an effective ODR system, while countries like Singapore and South Korea have implemented modern ODR platforms, allowing for quick and transparent dispute resolution (Van Nam et al., 2022a). Van Nam et al. (2022b) also emphasized that the integration of new technologies, such as Artificial Intelligence (AI) and blockchain, into dispute resolution and EC platform governance in Vietnam is still in its initial stages, primarily due to the lack of a supportive legal framework and limited technological infrastructure (Van Nam et al., 2022b). This reduces the capacity to effectively handle the increasing volume of disputes arising on EC platforms.

Moreover, the penalties for violations on EC platforms are not sufficiently deterrent. Nguyen (2021) argues that common violations such as false advertising, selling counterfeit goods, or failing to guarantee quality are still prevalent, but the current fine levels are often inadequate to thoroughly prevent these acts (Nguyen, 2021). Chi Hieu (2021) emphasizes that the controversy over the joint liability of EC platforms in cases of counterfeit and fraudulent goods has not been completely resolved, leading to a lack of clarity in determining responsibility between the platforms and sellers, thereby diminishing consumer trust (Chi Hieu, 2021). Bich and Nguyen (2020) compared EC laws between Vietnam and Indonesia, suggesting that Vietnam needs to learn from Indonesia's experience in applying flexible, easily deployable regulations and strengthening penalties to enhance management effectiveness (Bich & Nguyen, 2020).

In the area of tax management on EC platforms, Vietnam's legal framework has made significant strides with documents such as Decree 126/2020/ND-CP and Circular 40/2021/TT-BTC, which clearly stipulate the responsibility of EC platforms to provide transaction information to tax authorities. According to the Ministry of Finance (2024), major EC platforms like Shopee and Lazada have begun implementing systems to report seller revenue, helping tax authorities monitor and collect VAT and Personal Income Tax (PIT) from online business individuals and organizations. The Ministry of Industry and Trade's report (2024) states that EC revenue reached approximately 25 billion USD in 2024, but it is estimated that a significant proportion of revenue from EC platform transactions has not been fully declared, especially from small individual sellers or cross-border transactions (MoIT, 2024). Regulations in Circular 19/2021/TT-BTC require EC platforms to coordinate with banks and payment organizations to verify revenue, but implementation is hindered by the lack of effective integrated technology and the inconsistency in defining responsibility between platforms and sellers. The reality of tax law application also reveals considerable limitations. According to Nguyen (2021), many sellers on EC platforms, especially small individual businesses, do not register for tax codes or do not fully declare revenue, leading to tax loss. Furthermore, cross-border transactions on EC platforms like TikTok Shop and Amazon pose a major challenge for tax management, due to difficulties in determining the source of income and applying taxes to foreign organizations. Trung and Duc (2024) point out that the lack of synchronicity between tax regulations and EC management regulations (such as Decree 52/2013/ND-CP) has made it difficult to implement effective tax collection measures, especially for cross-border EC platforms (Trung & Duc, 2024). Moreover, the lack of modern technological tools, such as big data analytics systems or Artificial Intelligence (AI), to monitor and verify transactions on EC platforms is also a major barrier to ensuring tax compliance.

In the context of international economic integration, Hoa and Chen (2020) emphasize that harmonizing the legal framework with ASEAN standards is essential to support the governance of

cross-border EC platforms, especially as platforms like TikTok Shop and Amazon increasingly expand their operations in Vietnam (Hoa & Chen, 2020). However, current regulations still do not fully meet the requirements for cross-border EC governance, particularly in coordinating with international bodies to handle violations.

In summary, Vietnam's legal framework for EC platform governance has achieved important milestones, such as increasing transparency, protecting consumer rights, and simplifying administrative procedures. However, limitations regarding legal synchronization, personal data protection, online dispute resolution mechanisms, and penalties for violations remain significant challenges. These issues demand comprehensive solutions to meet the requirements of a rapidly developing and internationally integrated EC market

4.2. Discussion

The legal framework governing EC platforms in Vietnam has made significant progress, particularly through documents such as the Law on E-transactions 2005, Decree 52/2013/ND-CP (amended by Decree 85/2021/ND-CP), and the Law on Protection of Consumer Rights 2023. These regulations have contributed to enhancing transparency, protecting consumer rights, and promoting the growth of EC, with revenue reaching approximately 25 billion USD in 2024 (MoIT, 2024). However, when compared to countries with developed EC markets, such as Singapore, South Korea, the United States, and India, Vietnam's legal framework still has limitations regarding synchronization, personal data protection, Online Dispute Resolution (ODR) mechanisms, and penalties for violations. This comparison not only helps to clarify the strengths and weaknesses of Vietnam's legal framework but also provides valuable lessons for improving EC platform governance.

In Singapore, the legal framework for EC platform governance is built upon close coordination among the government, specialized agencies like the Consumers Association of Singapore (CASE), and the EC platforms themselves. Singapore has clear regulations on the responsibility of EC platforms in controlling product quality and handling complaints, with an effective ODR system that resolves disputes quickly and transparently. He and Zhang (2022) emphasize that Singapore's multi-stakeholder governance model, where the government, EC platforms, sellers, and consumers cooperate closely, has created a reliable EC environment, minimizing risks related to counterfeit goods and consumer rights violations (He & Zhang, 2022). Compared to Singapore, Vietnam lacks a similar specialized agency to oversee and support dispute resolution on EC platforms, resulting in complaints often being handled directly by the platforms, which lacks independence and transparency.

South Korea is also a prime example of effective EC platform governance. The Korea Fair Trade Commission (KFTC) plays a crucial role in supervising EC activities, applying strong penalties against violations such as false advertising or selling counterfeit goods. South Korea has implemented advanced ODR platforms, integrating Artificial Intelligence (AI) technology to automate the dispute resolution process, which enhances efficiency and reduces costs for consumers. He and Zhang (2022) point out that South Korea's multi-stakeholder governance model, with the participation of regulatory agencies, EC platforms, and consumer protection organizations, has created a transparent and reliable EC ecosystem (He & Zhang, 2022). In contrast, Vietnam has not yet developed modern ODR platforms, and the regulations on online dispute resolution lack specificity, reducing the effectiveness of handling issues that arise on EC platforms.

In the United States, the legal framework for EC platform governance is based on stringent regulations concerning legal liability and consumer protection. Pavero (2011) analyzed the lawsuit *Louis Vuitton v. Akanoc Solutions*, arguing that Internet Service Providers (ISPs), including EC

platforms, should be held legally liable if they knowingly host websites selling counterfeit goods, underscoring the role of platforms in controlling content and products (Pavero, 2011). The proposed Shop Safe Act of 2021 (S.1843) in the US suggests measures requiring EC platforms to inspect and verify seller information to prevent counterfeit goods, setting a high standard for platform responsibility (Congress.gov, 2021). Compared to the US, Vietnam has regulations on EC platform liability in Decree 85/2021/ND-CP, but the level of enforcement and the penalties for violations are still not strong enough, leading to the continued prevalence of counterfeit and knock-off goods on platforms like Shopee and Lazada.

In India, the legal framework for EC platform governance focuses on protecting both consumers and sellers. Chaubey (2021) discusses that EC platforms in India must bear secondary liability if they fail to control the quality of the sellers' products or services, especially in cases of defective goods or intellectual property infringement (Chaubey, 2021). India has also issued regulations requiring EC platforms to clearly disclose information about products and sellers, and to implement strict personal data protection mechanisms. Prakash (2023) emphasizes that the legal framework in India is designed to balance the interests of consumers and sellers, with rigorous compliance policies to ensure transparency and fairness on EC platforms (Prakash, 2023). In contrast, while Vietnam's Law on Protection of Consumer Rights 2023 has strengthened consumer protection measures, the regulations on personal data protection and the legal liability of platforms are still not adequately specific, leading to instances of data leaks and consumer rights violations.

Mujtaba and Cavico (2023) propose that in the digital age, EC platform governance policies need to integrate new technologies like AI and blockchain to enhance transparency and security in transactions (Mujtaba & Cavico, 2023). For example, EC platforms in the US and South Korea have utilized AI to analyze seller behavior and detect fraud, while blockchain is applied for product traceability. In Vietnam, the application of these technologies is limited, largely due to the lack of a supportive legal framework and underdeveloped technological infrastructure. Compared to these countries, Vietnam needs to invest more in establishing specific regulations on the application of technology in EC platform governance, as well as learning from multi-stakeholder governance models to enhance coordination among relevant parties.

The discussion above indicates that, although Vietnam's legal framework has achieved progress in governing EC platforms, there is still a significant gap compared to countries like Singapore, South Korea, the US, and India. The limitations regarding ODR mechanisms, personal data protection, penalties for violations, and the application of technology require Vietnam to learn from international experience, particularly in establishing specialized agencies, implementing modern ODR platforms, and strengthening the legal liability of EC platforms. These lessons will not only help to improve governance effectiveness but also support Vietnam's deeper integration into the global EC market, especially as cross-border platforms like Amazon and TikTok Shop increasingly expand their operations.

5. Solutions

Perfecting the Legal Framework and Enhancing Regulatory Synchronization

The current legal framework for EC in Vietnam, including the Law on E-transactions 2005, Decree 52/2013/ND-CP, and the Law on Protection of Consumer Rights 2023, has laid the foundation but still lacks synchronization, especially in areas such as personal data protection, Online Dispute Resolution (ODR), and the governance of cross-border EC platforms. A separate decree on EC platform governance should be developed, focusing on specific regulations regarding the platforms' responsibility for controlling product quality, protecting customer information, and

handling violations. At the same time, current legal documents need to be amended and supplemented to ensure consistency, avoiding overlapping regulations. For example, personal data security requirements should be integrated into Decree 85/2021/ND-CP, clearly stipulating data encryption standards and the platforms' liability in case of information leaks. Additionally, to support international economic integration, the legal framework must be adjusted to align with commitments in free trade agreements like the CPTPP and RCEP, particularly in governing cross-border EC platforms such as Amazon and TikTok Shop. This will enhance Vietnam's competitiveness in the global EC market and create a transparent legal environment for international businesses operating in Vietnam.

Strengthening the Legal Liability of EC Platforms

EC platforms like Shopee, Lazada, and Tiki should be required to bear higher legal liability for controlling the quality of goods and services. Specifically, the joint liability of the platforms must be regulated in cases where sellers on the platform commit violations, such as selling counterfeit or knock-off goods, or providing false information. Platforms should implement strict vetting mechanisms, utilizing Artificial Intelligence (AI) to automatically detect violating products and blockchain for product traceability, ensuring transparency and reliability. For instance, platforms could require sellers to provide documentation proving the origin of the product before listing and conduct random checks to verify quality. Furthermore, platforms must establish clear online complaint channels, publicly disclose the complaint handling process, and ensure rapid response times. Strengthening legal liability will not only help protect consumers but also enhance the reputation of EC platforms, encouraging fair competition in the market.

Developing an Online Dispute Resolution (ODR) System

The current Online Dispute Resolution (ODR) mechanism in Vietnam is limited, with most complaints handled directly by the EC platforms, lacking independence and transparency. A national ODR platform needs to be built, integrating modern technologies such as AI to automate the complaint analysis process, blockchain to securely store dispute records, and a user-friendly interface for consumers to easily submit complaints and track the resolution progress. This platform should be managed by an independent agency or in coordination with the Ministry of Industry and Trade, ensuring fairness in handling disputes among buyers, sellers, and EC platforms. For example, consumers could submit a complaint about counterfeit goods or poor service quality through a single online portal, receive a response within 48 hours, and be supported by legal experts if necessary. Concurrently, specific regulations must be issued regarding the platforms' responsibility to support dispute resolution, including providing transaction-related information and coordinating with regulatory bodies to resolve complex cases.

Establishing a Specialized EC Agency

To enhance the effectiveness of EC platform governance, Vietnam needs to establish a specialized agency, either under the Ministry of Industry and Trade or operating independently, responsible for supervising, inspecting, and sanctioning violations in the EC sector. This agency will act as a bridge among EC platforms, sellers, and consumers, ensuring that legal regulations are strictly enforced. Its duties include regularly inspecting the operations of platforms, handling complex complaints, and coordinating with international organizations to manage cross-border EC platforms. For example, this agency could require platforms like TikTok Shop to provide periodic reports on the rate of counterfeit goods violations or organize training programs for sellers on legal compliance. Establishing a specialized agency will help professionalize EC governance, learning from successful models such as Singapore's Consumers Association (CASE) or South Korea's Fair Trade Commission, thereby increasing the trust of consumers and businesses in the EC market.

Strengthening Personal Data Protection and Cybersecurity

The issue of personal data leaks on EC platforms is a major challenge, eroding consumer trust and posing risks to cybersecurity. It is essential to issue specific regulations on personal data protection in EC, requiring platforms to adopt advanced security technologies such as high-level data encryption, two-factor authentication, and cybersecurity monitoring systems to detect and prevent cyberattacks. EC platforms must publicly disclose data privacy policies, clearly inform consumers about how personal information is collected, stored, and used, and allow users to control their data, such as the right to delete personal information when no longer needed. The State should apply severe penalties, such as heavy fines or suspension of operation, for platforms that violate data protection regulations. For example, if an EC platform experiences a data leak involving millions of customers, the regulatory agency needs to apply a fine that is sufficiently deterrent and require the platform to implement immediate remedial measures.

Raising Consumer Awareness and Education

Consumers play a crucial role in ensuring the transparency and security of the EC market, yet many still lack knowledge about their rights and responsibilities when engaging in online transactions. Extensive education and awareness programs need to be implemented through mass media, social networks, and community events to guide consumers on how to identify counterfeit or knock-off goods, check product information, and use effective complaint mechanisms. For instance, media campaigns could provide detailed instructions on how to verify seller information on platforms like Lazada or Shopee, or how to file a complaint when receiving sub-standard goods. EC platforms should also play an active role by providing online instructional materials, setting up 24/7 customer support channels, and organizing online training sessions on transaction safety. Raising awareness will not only help consumers protect themselves but also create pressure on EC platforms to improve service quality, thereby building a transparent, fair, and sustainable EC market

6. Conclusion

The study on the legal framework governing EC platforms in Vietnam reveals that the current framework, comprising the Law on E-transactions 2005, Decree 52/2013/ND-CP (amended by Decree 85/2021/ND-CP), the Law on Protection of Consumer Rights 2023, and related circulars, has achieved significant milestones in creating a legal foundation to regulate the operations of EC platforms like Shopee, Lazada, Tiki, and TikTok Shop. These regulations have contributed to enhancing transparency, protecting consumer rights, and promoting the rapid development of EC, with estimated revenue reaching 25 billion USD in 2024. However, the practical application of the law also exposes several limitations, including the lack of synchronization among legal documents, inadequate regulations on personal data protection, a weak Online Dispute Resolution (ODR) mechanism, and penalties for violations that lack sufficient deterrence. A comparison with countries having developed EC markets such as Singapore, South Korea, the US, and India indicates that Vietnam needs to learn from their experience in establishing specialized agencies, implementing modern ODR systems, and utilizing advanced technology to enhance governance effectiveness.

The research proposes six specific solutions, including perfecting the legal framework, strengthening the legal liability of EC platforms, developing an online dispute resolution system, establishing a specialized agency, enhancing personal data protection, and raising consumer awareness. These solutions are aimed not only at overcoming current limitations but also at building a transparent, safe, and sustainable EC market that meets the demands of international economic integration. This study provides a theoretical and practical basis for policymakers, businesses, and consumers, while also suggesting future research directions on the application of technology in EC governance, the management of cross-border EC platforms, and the establishment

of legal standards consistent with the global digital economy trend.

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