

Conditions for Ensuring the Enforcement of Economic Law in Vietnam: Current Status and Emerging Issues in the Context of Digital Transformation, Green Transition, and International Integration

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***Abstract:** In the context of digital transformation, green transition, and deepening international integration, ensuring the effective enforcement of economic law has become a decisive factor in enhancing the quality of national governance and the performance of the economy. This article provides a systematic analysis of the conditions for ensuring the enforcement of economic law in Vietnam, including institutional thinking, organizational structure, human resources, financial mechanisms, and the compliance behavior of market actors. The study employs a combination of analytical–synthetic methods, policy analysis, comparative legal analysis, and an interdisciplinary approach, drawing on secondary data from domestic and international reports. The findings indicate that the effectiveness of economic law enforcement in Vietnam remains constrained by structural bottlenecks, including delays in institutionalizing emerging sectors, limited enforcement capacity relative to the demands of modern governance, inefficient allocation of public financial resources, and low levels of legal compliance among certain segments of the business community. Notably, these constraints are interrelated, resulting in a lack of coherence across the overall enforcement system. On this basis, the article proposes a systemic reform framework structured around four key pillars: (i) renewing institutional thinking and improving the quality of legal institutionalization; (ii) restructuring the organizational apparatus and developing interdisciplinary human resources; (iii) reforming public financial mechanisms toward a results-based approach; and (iv) fostering a compliance-oriented environment grounded in transparency, reduced compliance costs, and strengthened enforcement discipline. The study contributes to the literature by advancing an integrated analytical framework that conceptualizes the conditions for economic law enforcement as a coherent system, while offering policy implications to enhance legal effectiveness and promote sustainable economic development in the new development context.*

Keywords: *Economic law enforcement; Economic institutions; Digital transformation; Green transition; National governance.*

1. Introduction

In the context of accelerating digital transformation, green transition, and deepening international economic integration, economic law has increasingly assumed a central role in shaping the institutional environment, regulating market activities, and ensuring sustainable development. However, empirical evidence from Vietnam reveals a significant gap between the quality of legal design and the effectiveness of its enforcement. This gap is reflected in delays in the institutionalization of emerging sectors, limitations in the capacity of the administrative apparatus and human resources, inefficient public financial allocation mechanisms, and relatively low levels of legal compliance among segments of the business community. These structural bottlenecks have undermined the effectiveness of economic law and hindered efforts to enhance the quality of national governance.

Existing studies, meanwhile, tend to examine these issues in isolation, without situating the conditions for ensuring the enforcement of economic law within a coherent and integrated framework. They also reveal a limited linkage between theoretical analysis and practical demands in the evolving development context. This gap underscores the need for a systematic analytical framework capable of explaining the interactions among institutional, organizational, financial, and compliance-related dimensions.

Against this backdrop, this article aims to provide a comprehensive analysis of the conditions for ensuring the enforcement of economic law in Vietnam, identify structural constraints, and propose a set of interconnected policy solutions to enhance enforcement effectiveness and promote sustainable economic development in the new development context.

2. Literature Review and Research Methodology

2.1. Literature Review

In contemporary legal scholarship and public governance studies, the issue of ensuring the enforcement of economic law has attracted considerable attention from both international and domestic scholars. Existing studies generally approach this topic along three main strands.

First, international research primarily focuses on the role of institutions and governance quality in ensuring the effectiveness of economic law enforcement.

According to the analytical frameworks of the World Bank and the OECD, enforcement effectiveness depends on institutional capacity, transparency, accountability, and the ability to coordinate policies across sectors. These studies emphasize that economic law functions not merely as a regulatory instrument but as an institutional architecture that shapes market dynamics, particularly in the context of digital transformation and sustainable development.

Second, another important strand of research concentrates on the capacity of the state apparatus and law enforcement personnel. The literature highlights that the quality of public human resources, policy analysis capabilities, professional standards, and the adoption of technology are decisive factors for effective law enforcement. In the context of digital government, many studies underscore the need for an interdisciplinary workforce equipped with expertise in law, economics, and technology.

Third, more recent studies have expanded the analytical scope to include social factors, particularly the legal compliance behavior of businesses, viewing it as a critical pillar of an effective legal environment. In this regard, compliance levels are influenced by compliance costs, trust in institutions, and the effectiveness of state enforcement. Concurrently, research on public finance indicates that budgetary resources and financial allocation mechanisms play a crucial role in ensuring substantive law enforcement.

In Vietnam, existing studies have begun to address this issue from the perspective of improving the socialist-oriented market economy institutions, administrative reform, and enhancing state governance effectiveness. Several works have examined the leadership role of the Communist Party in legal institutionalization, administrative restructuring, and improving the quality of civil servants. At the same time, these studies have identified key limitations in economic law enforcement, including the lack of coherence in the legal system, delays in institutionalizing emerging sectors (such as the digital and green economy), limited enforcement capacity, and low levels of legal compliance among businesses.

However, a comprehensive review reveals several notable gaps. First, there remains a lack of studies adopting a holistic and systematic approach to the conditions for ensuring economic law enforcement as an integrated framework encompassing political, institutional, organizational, financial, and social dimensions. Second, existing research often lacks a strong linkage between theoretical analysis and practical demands in the context of digital transformation, green transition, and deepening international integration. Third, limited attention has

been given to the interaction between these conditions and their impact on sustainable economic development.

Against this backdrop, this article seeks to provide a comprehensive analysis of the current state of the conditions for ensuring the enforcement of economic law in Vietnam, thereby identifying key challenges in the evolving development context.

2.2. Research Methodology

To achieve the research objectives, this article employs a combination of methodological approaches appropriate to the nature of legal scholarship and public policy analysis.

First, the analytical–synthetic method is used to systematize theoretical perspectives on economic law, economic institutions, and the conditions for ensuring law enforcement. On this basis, the study is structured around key analytical dimensions, including institutional thinking and Party leadership, organizational structure and human resources, financial resources, and the legal compliance of market actors.

Second, legal and policy document analysis is applied to examine the process through which the Party’s guidelines and orientations are institutionalized into the system of economic law. Party documents, socio-economic development strategies, and official reports of state agencies are utilized to assess the coherence, modernity, and adaptability of the legal framework.

The article also employs qualitative analysis based on secondary data derived from reports of state agencies, international organizations, and prior studies to evaluate the current state of economic law enforcement. Empirical indicators—such as citizen satisfaction, patterns of legal violations among enterprises, the progress of digital transformation, and public financial allocation—are used to substantiate the study’s findings.

In addition, a comparative legal approach is adopted, to a certain extent, to contrast international experiences—such as legislation on green growth and the circular economy in selected jurisdictions—with Vietnam’s practice, thereby identifying legal gaps and areas requiring reform.

Furthermore, the study adopts an interdisciplinary approach integrating legal studies, economics, and public governance to analyze the conditions for ensuring economic law enforcement within the broader context of socio-economic development. This approach enables a comprehensive assessment that extends beyond legal dimensions to encompass governance performance and practical effectiveness.

Finally, logical reasoning and inductive methods are employed to derive key findings, formulate evaluations, and identify emerging issues from practice, providing a foundation for policy recommendations in the subsequent stage.

3. Discussion

3.1. The Current State of the Communist Party of Vietnam's Theoretical Thinking and Leadership in Institutionalizing and Improving the System of Economic Law

The theoretical thinking of the Communist Party of Vietnam (CPV) and its leadership in the institutionalization and development of economic law constitute a foundational factor that guides and ensures coherence in socio-economic development under the socialist-oriented framework (Mai V.B, 2022). In this regard, the Party's theoretical perspective is reflected in its recognition of law in general, and economic law in particular, as a key instrument for institutionalizing policy orientations and serving as a cornerstone for building a socialist rule-of-law state. At the same time, the Party's leadership ensures that economic law not only embodies political will but is also systematically designed, appraised, and implemented in accordance with clearly defined programs to achieve socio-economic development objectives. Accordingly, throughout the process of national development under the socialist orientation, the improvement of institutions—especially the system of economic law—has consistently been identified by the Party as a strategic pillar, both urgent in the short term and decisive in the long term. From the 6th to the 13th National Party Congress, the Party's theoretical framework on the socialist-oriented market economy has been progressively refined and institutionalized into an increasingly coherent, transparent, and modern legal system (Nguyen Q.T, 2025).

From a theoretical perspective, in the current context where Vietnam is entering a new stage of development characterized by digital transformation, green transition, deep international integration, and intensifying global competition, the renewal of legal thinking, enhancement of institutionalization capacity, and strengthening of the Party's comprehensive leadership in economic legislation have become critically important (Politburo, 2024). Economic law is no longer confined to its traditional role of regulating behavior; it must evolve into an institutional architecture that shapes national development space, safeguards digital sovereignty, drives innovation, and ensures the effective functioning of market mechanisms within a framework of fairness and sustainability. Moreover, the Party's leadership in institutionalization provides both political-legal assurance and strategic direction, enabling the economic legal system to evolve in alignment with practical demands, global trends, and national interests. The Party's consistent directives, as articulated

in its resolutions, conclusions, and legislative orientations, serve as a guiding framework for a developmental state, a dynamic society, and an innovative business sector operating within a stable, transparent, and advanced legal environment. In this context, examining and clarifying the Party's theoretical thinking and leadership role in institutionalizing and improving economic law carries significant theoretical and practical implications, contributing to more effective legal policymaking, the consolidation of the socialist rule-of-law state, and the promotion of sustainable socio-economic development in the new era.

In the Report reviewing the implementation of the 2011–2020 Socio-Economic Development Strategy and formulating the 2021–2030 Strategy, it was explicitly stated that: “The understanding of the socialist-oriented market economy remains insufficiently profound and consistent in certain aspects, particularly regarding the relationship between the State and the market, land ownership, resource allocation, the balance between rapid and sustainable growth, and the roles of state-owned enterprises, collective economy, cooperatives, and private enterprises. The institutional framework of the socialist-oriented market economy is not yet complete, modern, or well-integrated, and has not kept pace with development requirements. Direction and administration in certain areas remain limited, policy responses are slow, and strong drivers for development have yet to be created” (Communist Party of Vietnam, 2021).

These assessments indicate that, at the level of theoretical cognition, the Party has made significant progress in defining the model of a socialist-oriented market economy. However, in practice, the process of institutionalizing the Party's guidelines and orientations continues to reveal substantial limitations, particularly reflected in delays in translating them into a coherent, modern, and effective system of economic law. Such delays are especially evident in emerging sectors such as the digital economy and the green transition—both of which are increasingly recognized as key pillars of sustainable growth in the context of globalization and the Fourth Industrial Revolution.

Empirical developments further demonstrate that Vietnam has yet to establish dedicated legislative frameworks for green transition comparable to those adopted in several other countries. For instance, the Republic of Korea enacted the *Framework Act on Low Carbon, Green Growth* in 2010 (FALC, 2010), which laid the legal foundation for green growth and established a long-term development vision for the period 2009–2050, including targets for greenhouse gas reduction and the promotion of environmentally sustainable technologies. This was subsequently replaced by the *Framework Act on Carbon Neutrality and Green Growth for Coping*

with *Climate Crisis* in 2021 (KLRI, 2023), which sets a strategic objective of achieving carbon neutrality by 2050 and mandates a reduction of at least 35% in greenhouse gas emissions by 2030 compared to 2018 levels. The Act also establishes key institutional mechanisms, including a Climate Response Fund, a Presidential Committee on Carbon Neutrality and Green Growth, and comprehensive implementation plans.

Similarly, with regard to the circular economy, the global context is witnessing profound transformations in development models toward sustainability, environmental friendliness, and resource efficiency. In this context, the development and refinement of a legal framework for the circular economy have become an urgent requirement for all countries. In the Federal Republic of Germany, a pioneer in sustainable development thinking, the *Act on Promoting Circular Economy and Ensuring Environmentally Sound Waste Management (Gesetz zur Förderung der Kreislaufwirtschaft und Sicherung der umweltverträglichen Bewirtschaftung von Abfällen – Kreislaufwirtschaftsgesetz*, hereinafter KrWG) was enacted at an early stage (BGBL, 2012). This Act provides a robust legal foundation for waste prevention, reuse, recycling, and environmentally sound disposal, while clearly establishing the operational principles of a modern circular economy. It integrates extended producer responsibility, natural resource conservation, and the protection of environmental and social interests.

By contrast, in Vietnam, although the Party and the State have issued major orientations and policy directions on circular economy development—particularly through instruments such as Resolution No. 24-NQ/TW dated 3 June 2013 of the 7th Plenum of the 11th Central Committee on proactive climate change response, resource management, and environmental protection; the National Green Growth Strategy for the 2021–2030 period (Prime Minister, 2021); and the 2020 Law on Environmental Protection (which includes preliminary provisions on circular economy)—a dedicated, comprehensive, and specialized law on the circular economy has yet to be established. This legal gap has contributed to fragmented policy implementation and has constrained intersectoral and interregional coordination, as well as the mobilization of social resources necessary for transitioning toward a circular, green, and sustainable development model.

The underlying causes of these limitations stem from the inherent complexity of the socialist-oriented market economy. Although the Party has clearly affirmed this model as the overarching framework for national development, in practice there remains a lack of consistency, specificity, and timely innovation in theoretical understanding of its core components—particularly in delineating the roles of the

State, the market, and the private sector. This inconsistency in conceptualization has resulted in delays in translating strategic orientations into clear, coherent, and unified legal norms, thereby creating regulatory gaps in emerging and interdisciplinary economic sectors.

In light of these challenges, there is an urgent need to further advance the Party's theoretical thinking on the socialist-oriented market economy. In particular, greater emphasis should be placed on the role of economic law as a primary instrument for shaping a transparent, stable, and forward-looking institutional environment. At the same time, it is essential to enhance the capacity to proactively identify, guide, and regulate emerging economic issues, thereby effectively supporting the objectives of rapid, sustainable, and comprehensive national development.

3.2. The Current State of the Organizational Structure and Operational Capacity of the Apparatus and Civil Servants Responsible for Economic Law Enforcement

The organization and operation of the state apparatus, as well as the corps of officials, civil servants, and public employees responsible for enforcing economic law, constitute a decisive factor in determining the quality and effectiveness of the processes of formulation, implementation, supervision, and improvement of the economic legal system within Vietnam's socialist-oriented market economy. This dimension encompasses the organizational structure, functions, and mandates of state agencies across the legislative, executive, and judicial branches, as well as the professional competence, political integrity, public service ethics, enforcement skills, and sense of responsibility of personnel engaged in economic law enforcement. It represents a critical link in the chain of state economic governance, translating policy orientations into legal norms, ensuring consistent and effective implementation, and facilitating supervision and enforcement to maintain economic order and a sound business and investment environment.

However, in the current phase of socio-economic development—particularly as Vietnam actively advances strategies for sustainable growth model transformation, comprehensive digital transformation, accelerated green transition, and deeper integration into the global economy—the organization and operation of the economic law enforcement apparatus are facing significant challenges. These challenges manifest in institutional and administrative bottlenecks that undermine the effectiveness and efficiency of law enforcement. At the same time, limitations in the capacity of officials, civil servants, and public employees have emerged as a major constraint, hindering the effective institutionalization of the Party's policies

into a modern system of economic law capable of meeting new development requirements. Specifically:

(1) A critical shortage of interdisciplinary human resources among officials and civil servants engaged in law enforcement, particularly in the field of economic law. This constitutes a major bottleneck in terms of professional capacity and modern legal reasoning within the enforcement apparatus. In the context of a socialist-oriented market economy, enforcement personnel are required not only to possess a solid understanding of legal frameworks but also to master core economic principles—such as supply and demand, market regulation, and fiscal and monetary policies—while demonstrating familiarity with business practices and production structures in an evolving economic environment. In addition, they must possess knowledge of the digital economy, big data, digital transformation, smart contracts, and global trends, alongside advanced policy analysis capabilities, particularly in regulatory impact assessment (RIA) and policy outcome forecasting.

In practice, the consequences of this capacity gap are evident not only in the limited effectiveness of economic law enforcement but also in its direct impact on public satisfaction and trust in the state administrative apparatus. As citizens increasingly demand higher-quality public services, enforcement capacity has evolved from an internal administrative issue into a key indicator of public governance performance and the level of administrative modernization. According to the 2024 Public Administration Performance and Satisfaction Index (Ministry of Home Affairs et al., 2025), jointly released by the Ministry of Home Affairs, the Vietnam Fatherland Front, and the Vietnam Veterans Association, public expectations were measured across ten dimensions related to policymaking, implementation, and public service delivery. The survey results indicate that the three most prioritized expectations were: enhancing the competence of officials and civil servants in handling administrative matters (66.56% of respondents), improving service attitude and responsiveness (63.10%), and increasing transparency in information provision (59.42%). Although overall satisfaction levels in 2024 improved compared to 2023 (Ministry of Home Affairs et al., 2024) and 2022 (Ministry of Home Affairs et al., 2023) across all assessed dimensions, they remain significantly below the targets set for 2025 under the Government's Master Program on State Administrative Reform for the 2021–2030 period. These findings clearly demonstrate that improving the quality of the public workforce—particularly in terms of professional capacity and a modern, service-oriented mindset—is both an intrinsic requirement of institutional reform and a direct societal demand. Citizens no longer accept outdated and formalistic administrative models; rather, they expect

to be served by a professional, competent, and forward-looking public administration, staffed by officials who possess interdisciplinary expertise in law, economics, and technology, and who are genuinely oriented toward serving the interests of citizens and businesses.

(2) Obsolescence in organizational methods, administrative operations, and the application of technology in the enforcement of economic law. This refers to the continued reliance of the state apparatus, legal enforcement institutions, and the corps of officials and civil servants on traditional management models characterized by limited innovation and slow adaptation to the requirements of modern governance. In particular, economic law enforcement agencies have yet to establish integrated digital processes covering the entire policy cycle—from policy formulation and legislative drafting to monitoring and enforcement.

This shortcoming is evidenced by a World Bank–supported study analyzing Vietnam’s digital government transformation (Kaiser et al., 2021). The report indicates that, despite notable progress such as the development of the National Public Service Portal and document digitization platforms, digitalization remains fragmented and lacks systemic coherence. Many agencies continue to adopt isolated technological solutions without undertaking comprehensive process reform, while insufficient inter-agency interoperability hampers effective governance, monitoring, and evaluation of policy implementation.

Despite the Government’s strong commitment to digital transformation, in practice many state agencies remain at the stage of partial computerization of administrative functions—primarily limited to publishing documents online and receiving feedback via email—without effectively leveraging advanced technologies such as artificial intelligence (AI), big data, blockchain, or the Internet of Things (IoT) in core activities, including legislative support, regulatory impact assessment (RIA), and compliance monitoring. This situation is further confirmed by the National Digital Transformation Report (June 2024) issued by the Ministry of Information and Communications (2024). The report reveals that progress in reviewing, amending, and simplifying administrative procedures remains significantly delayed, with 317 out of 1,084 procedures yet to be addressed as required. Moreover, six key ministries and institutions—including the Ministry of Planning and Investment, the Ministry of Labour, Invalids and Social Affairs, the Ministry of Natural Resources and Environment, the Ministry of Justice, the Vietnam Chamber of Commerce and Industry (VCCI), and Vietnam Electricity (EVN)—have not completed the integration of administrative procedures into the National Public Service Portal, as mandated under Decisions No. 422/QĐ-TTg and

206/QĐ-TTg of the Prime Minister. Meanwhile, although sectoral digitalization efforts have received increasing attention, only the Ministry of Agriculture and Rural Development has demonstrated substantive implementation in line with its planned roadmap.

These findings underscore the persistence of outdated organizational and operational models within the economic legal system and reveal a critical structural bottleneck: Vietnam has yet to transition from e-government to a fully functional digital government, as advanced technologies have not been systematically embedded into the legal policy cycle—from policy design and public consultation to enforcement monitoring. Unless this bottleneck is effectively addressed, the modernization of state governance in general, and economic governance in particular, will continue to be constrained by fragmented, outdated, and insufficiently adaptive operational models.

3.3. The Current State of Financial Resources for Economic Law Enforcement

No legal system, regardless of how well it is designed, can be effective without adequate resources to ensure its enforcement. In this regard, public finance for economic law enforcement plays a central role, determining the capacity for implementation, supervision, and policy adjustment in practice. In other words, within the state governance system, financial resources allocated to economic law enforcement constitute an essential condition for ensuring that implementation, inspection, supervision, and policy adjustment activities are carried out effectively.

At present, in line with common international practice, funding for economic law enforcement is primarily derived from the state budget, allocated through administrative mechanisms and incorporated into the recurrent expenditure estimates of ministries, sectors, and local authorities. Such expenditures typically include: legal dissemination and education to enhance legal awareness among enterprises and citizens; inspection and supervision of compliance with economic law; training and capacity-building for enforcement personnel; and investment in technology and infrastructure supporting state economic management. These expenditures are legitimate, necessary, and play a critical role in ensuring the effectiveness and efficiency of the economic legal system.

However, empirical evidence from Vietnam indicates that the allocation and utilization of financial resources for law enforcement in general, and economic law enforcement in particular, remain constrained by multiple shortcomings in terms of scale, structure, and allocation mechanisms. In many localities, especially at the grassroots level, budget planning for economic law enforcement activities remains

largely formalistic and lacks a sound scientific and empirical basis. This results in frequent in-year budget revisions, thereby undermining the stability, predictability, and timeliness of financial resources. In addition, the fragmented allocation of budgets and the absence of clear strategic priorities have led to inefficiencies in project implementation, resulting in resource wastage and diminished enforcement capacity (World Bank, 2018).

More critically, some local governments have engaged in borrowing beyond their repayment capacity or have utilized borrowed funds inefficiently, thereby increasing public debt burdens and medium-term fiscal risks, and reducing the availability of long-term resources for improving the quality of economic law enforcement. These limitations have weakened the efficiency of public resource allocation and adversely affected the capacity of state agencies to organize and implement economic law enforcement, while also eroding public trust and diminishing legal compliance among businesses and citizens (Truong T T N, 2025).

In light of these challenges, reforming public financial allocation mechanisms toward a results-based approach—centered on enforcement outcomes—while strengthening transparency, accountability, and expenditure efficiency should be regarded as an urgent priority in the current period.

3.4. The Current State of Legal Awareness, Compliance, and Utilization of Economic Law by Enterprises and Other Market Participants

Enterprises and other market participants are legal or de facto entities engaged in production, business activities, the exchange of goods and services, investment, and competition within the economy. Their awareness of, respect for, compliance with, and utilization of economic law reflects the extent to which they understand and adhere to legal provisions governing business operations, competition, and market transactions. This constitutes the foundation for the formation of a legal culture in the economic sphere and plays a pivotal role in establishing a transparent, fair, stable, and sustainable business and investment environment.

However, in practice, the level of legal awareness and compliance among many enterprises and economic actors in Vietnam remains limited. A segment of enterprises—particularly small and micro-sized firms—has yet to fully recognize economic law as an instrument for safeguarding legitimate interests. This has led to widespread practices such as regulatory circumvention, tax avoidance, evasion of legal obligations, and operation within the informal sector. This represents a significant bottleneck originating from market actors themselves, as in a socialist-oriented market economy, the legal compliance of enterprises, cooperatives,

household businesses, and other economic entities forms the cornerstone of stability, transparency, and sustainable development.

(1) Violations of economic law, particularly in relation to financial obligations to the State, are undermining the effectiveness of public governance and creating distortions in the business environment. Such violations lead to the loss of state budget revenues and erode the confidence of investors and citizens in national governance capacity. One of the most concerning manifestations is the widespread non-compliance with tax obligations, which clearly reflects deficiencies in legal compliance behavior. According to data from the finance and taxation sector, as of 2017, Vietnam had approximately 480,000 registered enterprises; however, only around 390,000 regularly declared revenue. Notably, up to 90,000 enterprises remained operational but deliberately failed to file tax declarations, effectively evading statutory financial obligations. In addition, between 50,000 and 55,000 registered enterprises were inactive in practice, representing a high-risk group for state budget losses (Ministry of Justice, 2017).

This situation is further substantiated by inspection and audit results of the tax authorities. In 2025, tax agencies conducted 15,848 inspections and audits of enterprises, resulting in recommended financial recoveries totaling approximately VND 20,490 billion—an increase of 142% compared to the previous year (VnEconomy, 2025). These figures underscore both the prevalence and severity of violations of financial obligations and highlight significant challenges in strengthening fiscal discipline and improving the effectiveness of economic law enforcement at the enterprise level. Addressing this issue requires coordinated, decisive action from the entire political system, regulatory authorities, and the business community itself.

(2) At present, one of the most typical and concerning manifestations of economic law violations in Vietnam is the increasing prevalence of commercial fraud and the trading of counterfeit and substandard goods, often carried out through sophisticated and organized schemes. This reality is causing significant harm to consumer rights, undermining the transparency and fairness of the business and investment environment, and eroding public trust in the effectiveness of state management in the economic domain.

Empirical evidence underscores the severity of this issue. According to data released by the General Department of Market Management (Ministry of Industry and Trade) following the peak enforcement campaign against smuggling, commercial fraud, counterfeit goods, and intellectual property infringements (from 15 May to 15 June 2025), market surveillance forces conducted nearly 3,900

inspections nationwide, uncovering and handling over 3,100 violations, with a total value of sanctions exceeding VND 63 billion. Of this amount, administrative fines accounted for more than VND 32 billion, while confiscated goods were valued at approximately VND 31 billion. Notably, violations related to counterfeit goods and intellectual property infringements constituted the largest share, with 1,580 cases—equivalent to 52% of total violations—resulting in damages and penalties exceeding VND 16 billion. This was followed by smuggling-related violations, accounting for 21% (648 cases), with total penalties exceeding VND 6 billion. Other violations included commercial fraud, illegal importation of prohibited goods, and breaches of regulations on labeling and product origin (Department of Domestic Market Management and Development, 2025).

These figures clearly reflect the scale and seriousness of economic law violations and signal an urgent need to strengthen institutional capacity and tighten mechanisms for market inspection and supervision. At the same time, enhancing legal compliance among enterprises must be regarded as a prerequisite for achieving transparent, responsible, and sustainable economic development.

Fundamentally, these challenges stem from weak legal compliance among a significant segment of enterprises, cooperatives, and household businesses. In a socialist-oriented market economy, the fulfillment of financial obligations, avoidance of fraudulent practices, and respect for intellectual property rights are essential foundations for ensuring fair competition. However, many enterprises continue to prioritize short-term gains over business ethics and legal responsibility, engaging in practices such as tax evasion, invoice fraud, the production and distribution of counterfeit goods, and the circumvention of financial reporting obligations. These violations have become increasingly widespread and sophisticated, posing significant challenges to the effectiveness of economic law enforcement.

4. Policy Recommendations for Improving the Conditions for Ensuring the Enforcement of Economic Law in Vietnam

4.1. Renewing Theoretical Thinking and Enhancing the Effectiveness of the Party's Leadership in the Institutionalization of Economic Law

First, it is necessary to fundamentally renew theoretical thinking on the socialist-oriented market economy in order to ensure consistency, clarity, and feasibility in the process of legal institutionalization. Priority should be given to clarifying the relationship between the State, the market, and society, particularly in emerging domains such as the digital economy, green economy, and circular economy. This constitutes a prerequisite for overcoming inconsistencies in

conceptual understanding and delays in translating policy orientations into law. At the same time, the role of economic law must be clearly redefined as a developmental instrument—not merely as a regulatory tool, but as an institutional design mechanism for new economic models. This requires a shift in legislative thinking from a reactive to a proactive approach, and from policy response to development-oriented governance.

To enhance the quality of legal institutionalization, it is essential to establish an institutional framework capable of rapidly adapting to changes in the development environment, especially in emerging sectors such as artificial intelligence, data governance, digital finance, and green transition. In this regard, the development of flexible policy response mechanisms, the reduction of time lags between Party orientations and their legal codification, and the strengthening of strategic foresight in legislative activities are of critical importance. On this basis, priority should be given to the development of framework laws with a guiding function to shape the institutional space for new development models, particularly in areas where legal gaps persist, including green transition, circular economy, digital economy, and data governance. The establishment and refinement of these legal frameworks will not only address fragmentation and overlap in existing policies but also create a stable, transparent, and adaptable institutional foundation, thereby promoting sustainable development and enhancing the economy's capacity for international integration.

In particular, the quality of legal institutionalization should be improved through: (i) establishing rapid policy response mechanisms for emerging sectors (e.g., AI, data, digital finance, green transition); (ii) shortening the time lag between Party directives and the enactment of legislation; (iii) strengthening strategic foresight in law-making; and (iv) accelerating the development of guiding framework laws, especially in areas with significant regulatory gaps, such as laws on green transition, circular economy, and legal frameworks for the digital economy and data governance. The completion of these legal instruments is essential for overcoming policy fragmentation and establishing a robust institutional foundation for sustainable development and deeper international integration.

4.2. Reforming the Organizational Structure and Enhancing the Quality of Human Resources for Economic Law Enforcement

The reform of the organizational apparatus and the enhancement of human resource quality in economic law enforcement must be implemented as a systemic transformation, aimed at achieving a streamlined, effective, and governance-adaptive model aligned with the requirements of modern public administration.

The primary focus should be on restructuring functions and coordination mechanisms among state agencies throughout the entire cycle of law-making and enforcement. This includes eliminating overlapping mandates, addressing institutional fragmentation, strengthening coherence across the legislative, executive, and judicial branches, and establishing inter-agency coordination mechanisms for emerging sectors such as digital transformation and the green economy. On this foundation, the key breakthrough lies in developing a modern, interdisciplinary corps of officials and civil servants through the reform of training programs that integrate law, economics, and technology; enhancing policy analysis capacity—particularly regulatory impact assessment (RIA) skills—and strengthening knowledge in the digital economy, big data, artificial intelligence, and advanced governance practices.

In parallel, it is essential to establish recruitment and personnel management mechanisms based on principles of competition, transparency, and performance. This includes attracting high-quality experts from the private sector and international sources, implementing performance-based remuneration schemes, and reinforcing accountability frameworks alongside stringent public service ethics standards.

Finally, digital transformation must serve as a core operational pillar of the economic law enforcement system. This entails the comprehensive digitization of processes from policy formulation to enforcement monitoring, the development of interoperable legal data infrastructures, and the application of artificial intelligence and big data in policy analysis and compliance oversight. Such an approach enables a fundamental transition from traditional administrative governance to intelligent digital governance, thereby substantially enhancing the effectiveness and efficiency of economic law enforcement.

4.3. Reforming Financial Mechanisms to Ensure the Enforcement of Economic Law

Reforming financial mechanisms for economic law enforcement requires a fundamental shift toward a modern resource allocation model that is results-oriented and capable of measuring performance.

The primary focus should be on replacing input-based budget allocation with an output-based approach, whereby funding is directly linked to enforcement outcomes and evaluated through quantitative indicators such as compliance levels, reduction in violations, and the degree of satisfaction among citizens and businesses. On this basis, transparency and accountability must be elevated to core operational standards through the full disclosure of budget allocation and utilization processes,

the strengthening of independent auditing and oversight mechanisms, and the application of digital technologies to monitor financial flows in real time.

At the same time, investment priorities should be recalibrated toward high-impact areas, including the development of human resources for law enforcement, the establishment of digital infrastructure to support state governance, and the advancement of data systems and technological tools that facilitate effective enforcement.

Finally, it is essential to proactively design mechanisms for diversifying financial resources in order to alleviate pressure on the state budget. This may include public-private partnerships in the provision of public legal services, the mobilization of societal resources for legal dissemination and education, and the enhancement of technical assistance from international organizations. This approach provides a sustainable financial foundation, improves allocation efficiency, and ensures the capacity for effective economic law enforcement in the context of evolving governance models.

4.4. Enhancing Legal Compliance among Enterprises and Market Participants

Enhancing legal compliance among enterprises and market participants requires a fundamental shift from a “command-and-sanction” model toward a compliance-oriented environment grounded in incentives, transparency, and effective oversight.

The primary priority is to reduce compliance costs by simplifying administrative procedures, increasing the transparency of legal regulations, and standardizing and digitizing implementation processes. This approach helps eliminate institutional barriers and limits opportunities for regulatory circumvention. On this basis, legal dissemination and education should be restructured along modern, digital-based lines, including the development of accessible legal information systems, the provision of legal advisory services to support businesses, and the promotion of an understanding of law as a tool for protecting legitimate interests and mitigating business risks.

At the same time, enforcement discipline and effectiveness must be strengthened, particularly in high-risk areas such as taxation and financial obligations, anti-commercial fraud, counterfeit goods control, and the protection of intellectual property rights. This is essential to establish consistent and mandatory compliance standards across the market.

In parallel, the application of modern regulatory tools should be intensified, including the use of data analytics to detect compliance risks at an early stage, the

implementation of targeted and risk-based inspections, and the imposition of sanctions that are sufficiently stringent to ensure credible deterrence.

Finally, fostering a culture of compliance within enterprises is of decisive importance. This can be achieved by promoting the adoption of advanced governance standards such as compliance systems and ESG (Environmental, Social, and Governance) frameworks, linking legal compliance to corporate reputation and competitiveness, and establishing incentive and preferential mechanisms for entities that demonstrate strong compliance performance. Such an approach lays the foundation for sustainable compliance, thereby enhancing market integrity and the overall effectiveness of economic law.

4.5. Strengthening Coherence and Linkages among the Conditions for Ensuring the Enforcement of Economic Law

Strengthening the coherence and interconnections among the conditions for ensuring the enforcement of economic law requires a holistic and structured approach, operating as an integrated system. These conditions do not exist in isolation but interact closely: institutional thinking provides the foundational orientation for policy design; organizational structures and human resources serve as the direct agents translating legal provisions into practice; financial mechanisms supply the necessary resources and operational incentives; and the compliance behavior of enterprises and market participants reflects the ultimate effectiveness of the system. A lack of coordination among these elements undermines enforcement effectiveness, creates institutional gaps, and increases social costs.

On this basis, it is essential to establish coordinated mechanisms among these pillars in an integrated and interconnected manner. Specifically, the law-making process must be closely aligned with the enforcement capacity of the administrative apparatus and the availability of financial resources; financial policies should be designed to support the development of high-quality human resources and the modernization of governance tools; and compliance-enhancing measures must be underpinned by a transparent legal environment, an efficient administrative system, and reasonable compliance costs. Such coordinated operation should be supported by modern governance instruments, particularly digital infrastructure and interoperable data systems, to ensure timely and accurate information sharing and to enhance evidence-based decision-making.

This systemic approach facilitates the development of a self-reinforcing and sustainable “ecosystem” for economic law enforcement, in which institutional, organizational, financial, and behavioral components are closely integrated and

mutually reinforcing. It provides a critical foundation for improving the quality of national governance, strengthening market confidence, and promoting stable, transparent, and long-term economic development.

5. Conclusion

This article has approached the issue of ensuring the enforcement of economic law in Vietnam through a comprehensive, interdisciplinary, and system-oriented analytical framework, thereby clarifying the roles, content, and interrelationships among key conditions, including institutional thinking, organizational structure and human resources, financial mechanisms, and the compliance behavior of market actors. Based on the analysis of current conditions, the study demonstrates that existing limitations are not isolated but stem from a lack of coherence among these core pillars, as reflected in delays in institutionalization, bottlenecks in enforcement capacity, inefficient resource allocation, and low levels of legal compliance. These challenges underscore the urgent need to shift from fragmented reforms toward a systemic approach centered on enforcement effectiveness.

Accordingly, the article proposes a structured set of policy solutions, emphasizing four strategic directions: (i) renewing institutional thinking and enhancing the quality of legal institutionalization in a proactive, development-oriented manner; (ii) restructuring the organizational apparatus and developing a modern, interdisciplinary enforcement workforce; (iii) reforming public financial mechanisms based on performance and accountability; and (iv) fostering a compliance-oriented environment through reduced compliance costs, enhanced transparency, and strengthened enforcement discipline. These solutions can only be effective if implemented within a unified coordination framework that ensures coherence between policy design, enforcement mechanisms, and compliance control.

The study contributes to the literature by advancing the proposition that the effectiveness of economic law depends not solely on the quality of legal norms but on the operational capacity of the broader institutional ecosystem. From a practical perspective, the proposed policy recommendations may serve as a reference framework for improving the socialist-oriented market economy institutions in Vietnam in the context of digital transformation, green transition, and deepening international integration.

Nevertheless, the study is subject to certain limitations, as it primarily relies on qualitative analysis and secondary data. Future research should expand toward quantitative assessments of the impact of individual enforcement conditions and

empirically test the causal relationship between the effectiveness of economic law enforcement and indicators of sustainable economic development. Such directions are essential for strengthening the scientific foundation and enhancing the practical applicability of policy recommendations in the next stage of development.

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