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Decree No. 274/2026/ND-CP: Towards a More Streamlined Framework for Investor Selection

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On 7 July 2026, Vietnam's Government issued Decree No. 274/2026/ND-CP (***Decree 274***), which consolidates and replaces the previous rules on selecting investors for business investment projects that were previously split across Decree No. 23/2024/ND-CP, Decree No. 115/2024/ND-CP and Decree No. 225/2025/ND-CP. Decree 274 will take effect on 21 August 2026 (save for one provision on Build-Transfer projects, which already took effect on issuance), and it creates a single, more detailed set of rules covering the scope of regulated projects, the criteria for determining which projects must go through bidding, and transitional arrangements for projects already in progress. Investors involved in projects that use land, or in sectors where investor selection by bidding is legally required, should familiarise themselves with the new requirements as soon as possible.

1. What is new?

On 7 July 2026, Vietnam's Government issued Decree No. 274/2026/ND-CP, which sets out detailed rules on how investors are selected for business investment projects (***Decree 274***). Decree 274 will come into force on 21 August 2026, except for one provision, Article 74, which changes an earlier decree on Build-Transfer (BT) projects and already took effect when Decree 274 was issued.

Until now, the rules on selecting investors were split across three separate decrees: Decree No. 23/2024/ND-CP, which covered projects that had to go through bidding under industry-specific laws (***Decree 23***); Decree No. 115/2024/ND-CP, which covered projects involving the use of land (***Decree 115***); and Decree No. 225/2025/ND-CP, which had amended both of these (***Decree 225***). Decree 274 brings all of these rules together into one single decree. From the date Decree 274 takes effect, Decree 23, Decree 115, and Decree 225 will no longer apply, except for one provision of Decree 115 that remains in force.

Decree 274 does more than simply combine the old rules. It creates one unified set of rules for selecting investors and gives much more detailed guidance on how the Law on Bidding should work in practice. It also reflects the Government's broader push to simplify administrative procedures, encourage digital processes, and make sure the Law on Bidding, the Law on Investment and the Law on Land work together more consistently.

2. How does it affect the current situation?

Decree 274 changes the current situation in three main ways: it widens the scope of what is regulated in one place, it clarifies which projects must go through a bidding process, and it sets out detailed rules for moving from the old system to the new one. Each of these is explained below.

A single, wider set of rules. Previously, investors had to check two different decrees depending on their type of project: Decree 23 for projects requiring bidding under industry-specific laws, and Decree 115 for projects involving land use. Decree 274 merges these into one decree, so there is now a single, more coherent set of rules to follow.

That single decree now covers all of the following topics, which used to be spread across different decrees:

(i) ensure competition when selecting investors;

(ii) preferential treatment that may apply during investor selection;

(iii) the costs involved in investor selection;

(iv) appoiment of investor;

(v) how investor selection works in special situations;

(vi) the different methods used to select investors;

(vii) the procedures, processes for investor selection;

(viii) procedures, processes, costs and the roadmap for conducting online investor selection through tendering; the national database on investors; and cases where investor selection through tendering is not conducted on the National E-Procurement System;

(ix) how bids are evaluated, including the methods and criteria used;

(x) contents of contracts for projects that involve the use of land;

(xi) how projects are supervised and inspected;

(xii) how violations in investor selection through tendering are handled;

(xiii) how situations arising in investor selectionare handled; and

(xiv) the transitional provisions.

Compared to the old Decree 23, Decree 274 now deals directly with several matters that used to be handled only indirectly, by pointing to Decree 115. This includes special-circumstance investor selection and how breaches are handled. It also adds new rules on appointing investors, reflecting recent changes to the Law on Bidding. In short, investors and authorities now only need to check one decree instead of several.

Decree 274 also adds new detail on when land designated for project implementation, and on the situations where a full bidding process for investor selection is not required. At the same time, it keeps the existing rules on publishing project information for projects that do not need investment policy approval, and the implementation of business investment projects.

Decree 274 also continues to cover some supporting matters, including:

(i) the qualifications and experience required of people sitting on expert panels and appraisal panels; and

(ii) how information is shared between the national online procurement system and other government systems, while confirming that the separate rules on governing state management of procurement continue to apply as before.

Clearer rules on which projects must go through bidding. Previously, investors and authorities had to check two different decrees to work out whether a project needed to go through a bidding process: Decree 23 mainly covered projects requiring bidding under industry-specific laws that did not involve land, while Decree 115 covered projects involving land use. This often meant checking multiple decrees just to answer a simple question.

Decree 274 solves this by setting out, in one place, three categories of project that require investor selection:

(i) projects involving the use of land that fall within a specific case set out in the Land Law;

(ii) other projects involving the use of land that must go through bidding under industry-specific laws; and

(iii) projects that do not involve land use but must still go through bidding under industry-specific laws.

Decree 274 also updates the list of industry-specific projects that require investor selection, to reflect recent changes in the law, including projects in civil aviation, electricity, apartment redevelopment and other specialised sectors.

Decree 274 also keeps the existing conditions for when land is suitable for a project, carried over from Decree 115, but updates them to match the Land Law and Resolution No. 254/2025/QH15. In short, the land must either fall within the cases where the State can recover it, or be State-managed land available for lease through investor selection, and it must appear on a list of land plots approved by the relevant provincial People's Council.

For the first time, Decree 274 also spells out clearly when a land-use project does not need to go through a bidding process at all. This applies where: (i) the investor can be allocated or leased the land directly, without being required to undergo a land use rights auction or investor selection through a tendering process for projects involving land use, in accordance with the applicable laws; (ii) the project is not funded by the State budget and the investor chooses to acquire land rights by direct agreement with the landowner, rather than asking the State to recover the land; or (iii) projects proposed by existing land users that are approved for investment and investor approval under the investment laws without land recovery by the State.

3. What are the next steps?

Decree 274 includes detailed transitional rules to help investors and authorities move smoothly from the old system to the new one, without disrupting projects that are already under way.

As well as confirming that Decree 23, Decree 115 and Decree 225 stop applying from 21 August 2026, Decree 274 allows for a short transition period between the date it was issued (7 July 2026) and the date it takes effect (21 August 2026). During this window, authorities running a bidding process can choose to apply new evaluation criteria on the efficient use of land, introduced by Article 52 of Decree 274, when preparing bidding documents, or they can keep using the old rules under Decree 115 for now. This gives ongoing processes some flexibility while the new approach beds in.

Decree 274 also sets clear rules for projects that are already at various stages of the investor selection process. In particular:

(i) if a project already has investment policy approval but no longer needs it under the current investment rules, it can either keep relying on that approval or switch to the new project information approval process, depending on its circumstances;

(ii) if projects in respect of which the invitation to tender or request for proposals has been issued and the bid opening has been conducted before the effective date of Decree 274, , they will still be assessed under the bidding documents already issued;

(iii) if, as of the effective date of Decree 274, a project is at the stage of preparing or appraising the expression of interest dossier, invitation to tender or request for proposals, but the relevant dossier has not yet been approved, or has been approved but not yet issued, , they must be prepared or updated to comply with the amended Law on Bidding and Decree 274;

(iv) if, as of the effective date of Decree 274, the expression of interest dossier, invitation to tender or request for proposals has been issued but the bid opening has not yet taken place, the inviting party must report to the competent authority for consideration of whether to proceed with the bid opening and the evaluation of applications to implement the project, bids or proposals in accordance with the issued dossier; or extend the bid closing deadline to amend or supplement the expression of interest dossier, invitation to tender or request for proposals;

(v) if an investor has already been selected but the project contract has not yet been signed, the parties can go ahead and negotiate and sign the contract based on the existing selection result and bidding documents; and

(vi) if project contracts signed before Decree 274 takes effect remain valid, but any future changes to them must comply with the amended Law on Bidding, Decree 274, and any other laws in force at the time of the change.

These transitional rules give both authorities and investors more certainty, by protecting the steps already properly completed under the old rules, while gradually bringing all projects into line with the new, unified system under Decree 274.

Overall, Decree 274 significantly simplifies Vietnam's rules on selecting investors by bringing together, in one decree, rules that used to be spread across Decree 23 and Decree 115. This means investors and authorities no longer need to check multiple decrees depending on the type of project, and it should lead to more consistent decision-making. By also adding new rules and guidance that were missing before, Decree 274 now covers the whole process, from preparing a project and publishing information about it, through to selecting an investor and carrying out the project.

These changes matter most for investors looking at projects that involve land, or projects in sectors where investor selection through bidding is required by law. Investors interested in these projects should get familiar with the new requirements under Decree 274, particularly the rules on project eligibility, how to submit bids, the methods used to select investors, land-related financial obligations, and the transitional rules, so that they remain compliant and are well placed to take part in future bidding processes.

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