

LEGAL ALERT

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"Ordering" – A new form of contractor selection expanded in the Law on Bidding

On June 25, 2025, the National Assembly passed Law No. 90/2025/QH15 ("Law No. 90") amending and supplementing a number of articles of the Law on Bidding; Law on Investment under the Public-Private Partnership model; Law on Customs; Law on Value Added Tax; Law on Export Tax and Import Tax; Law on Investment; Law on Public Investment; Law on Management and Use of Public Assets. Notably, the National Assembly added a new form of contractor selection, which is the form of placing orders, to the 2023 Law on Bidding.

Previously, the forms of contractor selection did not specify the form of ordering. The selection of contractors to provide public products and services in the form of ordering was carried out according to separate regulations of the Government. Now, Law No. 901 adds the form of ordering as a new form of contractor selection to the Bidding Law 2023, delivery allowing direct to contractors (organizations, enterprises, individuals) providing goods and services in some special cases. This form is applied not only to public products and services, public career services but also includes services and goods in strategic fields, key scientific research, national importance, spearhead industries, energy infrastructure...; products and goods from the results of special scientific, technological and innovation tasks... using public investment capital and other capital sources, not limited to regular expenditure sources.

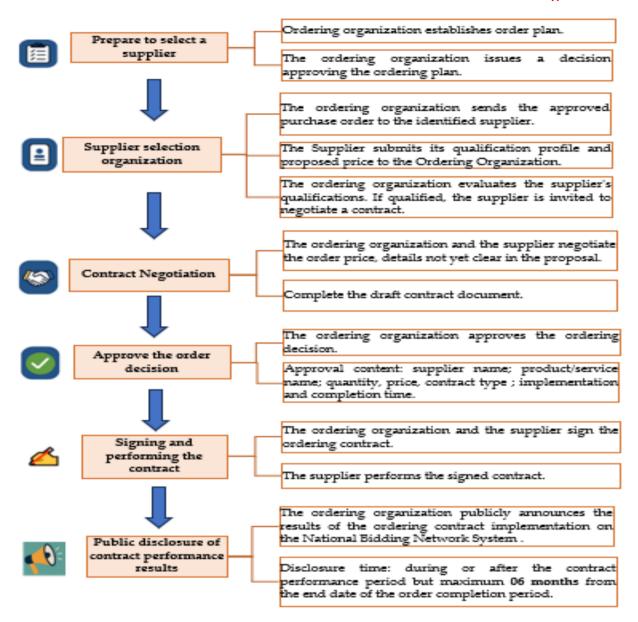
To clarify the form of ordering as prescribed in Law No. 90, on August 4, 2025, the Government issued Decree No. 214/2025/ND-CP ("Decree No. 214") detailing a number of articles and measures to implement the Law on

Bidding on contractor selection. Accordingly, Decree No. 214 specifically stipulates the types of goods and services that agencies and units ("Ordering Organizations") are assigned to directly manage and use state budget sources and other legal sources of revenue (if any) that are allowed to apply the form of ordering in selecting contractors/suppliers . In short, these goods and services, in terms of their specific nature, are goods and services (i) with limited supply, such as goods and services "belonging to projects of foundational industries, spearhead industries, infrastructure, energy digital infrastructure, green transportation "2. In terms of purpose of use, these are goods and services serving purposes related to the long-term national development strategy or security and defense, such as "key digital technology products and services; digital technology products and services belonging to important national key projects, projects with special characteristics and requirements of the Government...".

In essence, the form of ordering as well as the designation of bidding is the direct assignment bid package/project contractor/supplier that has been planned in advance and is not subject to bidding on the National Bidding System. However, in terms of process and implementation, the form of ordering does not require the Ordering Organization/investor to have an approved contractor selection plan, capital arrangement, and pre-approved bid package estimate before having an ordering plan like the normal designation of bidding, but only requires the preparation and approval of the ordering plan, signing of the ordering contract/approval of ordering decision. Specifically, ordering process is carried out as follows³:

¹Articles 1.12 and 1.17 of Law No. 90 ²Articles 106 and 107.2 of Decree No. 214

³Article 109 of Decree No. 214



Thus, from July 1, 20254, in addition to the previous forms of contractor selection, investors are also allowed to apply the ordering form, which helps increase flexibility, save costs for organizing bidding, shorten the time for selecting contractors, speed up the progress of implementing bidding packages/projects, and create favorable conditions for investors and bidding parties in contractor selection activities. In particular, the mechanism to encourage ordering for new, high-tech, and scientific and technological products developed by domestic enterprises

contributes expanding bidding to opportunities for Vietnamese enterprises. However, first of all, the provisions of Decree No. 214 on determining the types of goods and services eligible for ordering, in addition to requiring strict and thorough compliance, must also be more specific. For contractors/suppliers, the ordering form will also force them to standardize their capacity, personnel, and equipment to build their own reputation and brand to increase competitiveness in bidding.

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⁴Article 9.1 of Law No. 90



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