

KINSTELLAR
SOUTHEAST ASIA

Legal Guide

EDUCATION INVESTMENTS IN VIETNAM

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Photo: Vin University - Hanoi



SECTION ONE

FOREIGN INVESTMENT POLICY IN EDUCATION

1.1. Vietnam Education Policy

Vietnam is witnessing a significant shift in education development policies, marked by the issuance of Resolution No. 71-NQ/TW dated 22 August 2025 issued by Politburo, Resolutions No. 248/2025/QH15 and No. 249/2025/QH15 dated 10 December 2025 issued by National Assembly, Resolution No. 66.16/2026/NQ-CP dated 7 April 2026, Resolution No. 23/2026/NQ-CP dated 29 April 2026, and Resolution No. 66.18/2026/NQ-CP dated 18 May 2026 issued by the Government.

These policy instruments set the legislative agenda for four key laws, namely the Law on Amendments to Law on Education 2025, Law on Educators 2025, Law on Vocational Education 2025, and the Law on Higher Education 2025, all took effect from 1 January 2026. The policy framework prioritises the exemption of public-school tuition fees from the 2025 – 2026 academic year, introduces special mechanisms for providing free textbooks to disadvantaged and remote areas, and emphasises the development of high-quality teaching staff to meet national competitiveness and integration objectives. In parallel, the reforms aim to modernise governance in education institutions, enhance institutional autonomy coupled with accountability, and strengthen linkages between education, labour market needs, and technological innovation.

One of the four specific goals set for 2030 is to develop a modern higher education system that is on par with regional standards in high-quality training, scientific research, and innovation. The policy targets that 100% of higher education institutions (HEI) meet applicable quality assurance standards, with at least 12 higher education institutions ranked among the top 200 universities in Asia and at least 2 higher education institutions ranked among the top 100 universities worldwide in specific fields and disciplines, as assessed by reputable international ranking systems.

Taken together, these policies reflect the State's strategic commitment to building an open, equitable, and internationally integrated education system that supports sustainable socio-economic development.



Photo: Ho Chi Minh City University of Architecture

1.2. Vietnam Education Regulations

The main laws and regulations separately governing the investment in the education sector are below.

- Law on Education No. 43/2019/QH14 (**Law on Education 2019**), as amended and supplemented by Law on Amendments to Law on Education No. 123/2025/QH15 (**Law on Amendments to Law on Education 2025**), setting out the fundamental principles for foreign investment in the education sector, encompassing foreign-invested educational institutions;
- Law on Educators No. 73/2025/QH15 (**Law on Educators 2025**);
- Law on Vocational Education No.124/2025/QH15 (**Law on Vocational Education 2025**);
- Law on Higher Education No. 125/2025/QH15 (**Law on Higher Education 2025**);
- Decree No. 86/2018/ND-CP (**Decree 86**) – effective from 1 August 2018, which provides guidance on the establishment and operation of foreign-invested institutions, including short-term training institutions, preschools, general education schools (including primary schools, secondary schools and high schools) and higher education institutions; the establishment and operation of joint education/training programmes; and the establishment of representative offices. Decree 86 was amended and supplemented by Decree No. 124/2024/ND-CP, which was issued on 5 October 2024 and took effect on 20 November 2024 (**Decree 124**);
- Decree No. 125/2024/ND-CP (**Decree 125**) – effective from 20 November 2024, which provides guidance on investment and operation in the education sector for domestic institutions, including public schools;
- Decree No. 142/2025/ND-CP – effective from 1 July 2025, which delineates State management authority between two tiers of local government with respect to matters within the purview of the MOET; and
- Decree No. 66/2026/ND-CP (**Decree 66**) – effective from 15 March 2026, which details the implementation of certain articles of the Law on Education 2025.



Photo: Phan Dinh Phung Highschool

1.3. Structure of the Educational System in Vietnam

The education and training levels in Vietnam's national education system include the following:

- **Preschool education:** This includes both nursery education (for children aged 3 months to 3 years), and kindergarten education (for children aged 3 years to 6 years), which lays the foundation for early childhood development.
- **General education (compulsory schooling):** This includes three stages: primary education (Grades 1-5, starting at age 6), secondary (middle) education (Grades 6-9, starting at age 11), and high-school education (Grades 10-12, starting at age 15). These levels form the core of compulsory education in Vietnam.
- **Vocational education:** This offers various stages, including primary training, vocational high school training, intermediate training, and college-level vocational training, along with other specialised vocational programmes designed to equip students with practical skills and knowledge for the workforce.
- **Higher education:** This level includes undergraduate and postgraduate education.

Undergraduate education is provided to learners who have graduated from upper secondary education, vocational secondary education, or an equivalent or higher level.

Postgraduate education comprises master's degree programmes for learners holding an undergraduate degree or higher, and doctoral degree programmes for learners holding a master's degree, or, in certain cases, learners holding an undergraduate degree or higher. In addition, institutions providing after-school or other teaching services such as teaching foreign languages, computer science, cultural studies, expertise, and vocational skills are referred to as short-term training institutions.

The Ministry of Education and Training (**MOET**) holds the highest authority in governing Vietnam's education system.

The Department of Education and Training (**DOET**) is responsible for advising and assisting the provincial-level People's Committee in performing state management functions in respect of preschool education, general education, and higher education. Meanwhile, the Commune-level Culture and Social Affairs Division advises and assists the commune-level People's Committee in carrying out state management functions in relation to preschool education and general education.

SECTION TWO

EDUCATION INVESTMENT DATA

2.1. Foreign Investment and Corporation in Education

709 FDI PROJECTS IN EDUCATION	USD 4.6B REGISTERED CAPITAL	369 JOINT TRAINING PROGRAMMES
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According to Vietnam's 2024 Statistical Yearbook, by 31 December 2024, the Vietnamese economy had recorded 157,240 newly established enterprises across all sectors, encompassing both domestic and foreign-invested entities. Among these, 4,934 newly established enterprises were operating in the education and training sector.

These developments have occurred alongside Vietnam's ongoing efforts to expand international cooperation. By September 2025, Vietnam had formed strategic partnership relationships with more than 100 countries and territories worldwide.

Within this context, foreign direct investment (FDI) in the education sector has generated significant results. Vietnam has licensed a total of approximately 42,000 FDI projects, with aggregate registered capital of around 502.8 billion USD. Of these, 709 FDI projects were in the education and training sector, attracting about 4.6 billion USD in registered capital, representing roughly 1.69% of total FDI projects and 0.92% of total foreign investment capital nationwide.

Foreign investment and international collaboration in education have directly supported the establishment of five foreign-invested higher education institutions and nearly 100 foreign-invested preschool and general education institutions. Moreover, as of June 2024, Vietnam had implemented 369 joint training programmes in partnership with foreign institutions at 62 higher education institutions across the country, reflecting the deepening integration of Vietnam's education system into the global educational landscape.



Photo: Posts and Telecommunications Institute of Technology

2.2. Market Trend in Education

One of the key policy objectives of the State during the 2025 – 2030 period is to position English as a second language within the school system. Under this policy direction, preschool and general education institutions equipped with appropriate teaching facilities are encouraged to implement the teaching and learning of selected subjects in English, thereby strengthening early language exposure and international integration.

Against this policy backdrop, 2025 marked a particularly active year for Vietnam’s education market, with several sizeable transactions underscoring the sector’s growth potential and its attractiveness to strategic investors. The prevailing trend shows international investors and large investment funds, particularly from the United States and Singapore, actively seeking opportunities, with a strong focus on education technology (EdTech), including online learning platforms and digital transformation solutions.

SECTION THREE

REQUIREMENTS FOR FOREIGN INVESTMENT

3.1. Foreign Ownership Restrictions

Vietnam allows 100% foreign equity ownership in all education institutions, including K-12 schools, universities and short-term training centres. However, the Government still has the authority to review foreign investments in education by applying various conditions under Decree 86 (as amended by Decree 124). Please refer to **Section 3.2** (*Investment Licenses*) and **Section 3.3** (*Investment Requirements*) below for further information.

A foreign-invested education institution can operate for a maximum of 50 years from the date on which its investment registration certificate is issued, but the total operation period cannot exceed the land lease period. Regardless of the registered duration of operation, foreign-invested educational institutions can now have the option to lease pre-built facilities for a minimum of 5 years, or to construct new facilities for their educational activities. In the case of leasing pre-built facilities, the authority may request the operation period to be equal to the term of the facilities leasing agreement.

3.2. Investment Licenses

Foreign investors seeking to establish and operate a new educational institution in Vietnam must obtain several licenses and satisfy certain conditions required under Decree 86 (as amended by Decree 124). These include:

- **Investment Policy Approval (IPA):** This approval, granted by the Prime Minister, is mandatory for university projects and branch campuses of foreign universities.
- **Investment Registration Certificate (IRC):** This certificate, granted by the provincial Department of Finance (DOF), is required to approve foreign investment in the education sector.
- **Enterprise Registration Certificate (ERC):** This certificate, granted by the DOF, is required for the incorporation of a legal corporate entity that owns and operates the educational institution.
- **Establishment Decision:** This authorisation permits the formal establishment of the educational institution and is issued by (a) the Prime Minister for universities and overseas

university branch campuses, or (b) the Chairman of the provincial People's Committee for preschools, primary, secondary, and high schools.

- **Operating License:** This license allows the institution to commence and continue its educational activities. It is issued by (a) the Minister of the MOET for universities and overseas university branch campuses, or (b) the Director of provincial DOET for preschools, primary, secondary, and high schools. The license is valid for up to 50 years from the date of issuance of the IRC (but will not exceed the land lease period). In practice, however, the operating term for a foreign-invested educational institution may depend on the internal policies of local authorities concerning education development in that area.

Foreign-invested education institutions are given a two-year period for K-12 schools, or a four-year period for universities and overseas university branch campuses, starting from the effective date of their Establishment Decision to meet the relevant regulatory requirements for their education activities and apply for an Operating License. Failure to obtain the Operating License within the applicable period will result in the expiration of the Establishment Decision.

3.3. Investment Requirements

Under Vietnam's Law on Education 2019, all educational institutions must meet specific conditions for establishment and operation to conduct educational activities. The conditions for establishing an education institution require the education project to align with both the socio-economic development plan and the local and national education system network plan. Key conditions for educational activities include (i) land and construction area; (ii) facilities and equipment; (iii) educational programmes and materials; (iv) teacher qualifications; and (v) sufficient financial resources for the ongoing operations of the institution.

Regulatory framework

The establishment and operation of foreign-owned educational institutions are governed by Decree 86 (as amended by Decree 124), while domestic institutions, including public schools, operate under Decree 125. Under the Government's recently issued resolutions, Decree 86 (as amended by Decree 124) and Decree 125 are expected to be amended to streamline administrative procedures and business conditions in the education sector.

Below is a comparison of the investment conditions for establishing foreign-invested and domestic-invested educational institutions based on Decree 86 (as amended by Decree 124) and Decree 125. This comparison highlights Vietnam's commitment to implementing equitable policies for both domestic and foreign investors, fostering fairer competition and encouraging greater participation from foreign investors in the country's education sector.



AUTHORITY FOR ESTABLISHMENT AND OPERATING LICENSES

The authority responsible for issuing licenses differs for domestic and foreign-invested institutions. Both types of institutions need to obtain the Establishment Decision and Operating License, but the authorities responsible for issuing these licenses vary depending on the level of education and the type of institution.

FOREIGN-INVESTED INSTITUTIONS (DECREE 86 & 124)	DOMESTIC INSTITUTIONS (DECREE 125)
INVESTMENT REGISTRATION CERTIFICATE (IRC)	
<ul style="list-style-type: none"> • Issued by the provincial DOF. • For universities and overseas branch campuses, an IPA from the Prime Minister is required. 	<ul style="list-style-type: none"> • Optional for domestic institutions.
ESTABLISHMENT DECISION	
<ul style="list-style-type: none"> • Prime Minister (universities and overseas branch campuses) • Chairman of provincial People's Committee (preschools and K-12 schools) 	<ul style="list-style-type: none"> • Prime Minister (universities) • Chairman of provincial-level People's Committee (high schools) • Chairman of commune-level People's Committee (preschools, primary and secondary schools)
OPERATING LICENSE	
<ul style="list-style-type: none"> • Minister of MOET (universities and overseas branch campuses) • Director of DOET (preschools and K-12 schools) 	<ul style="list-style-type: none"> • Minister of MOET (universities) • Director of DOET (high schools) • Chairman of commune-level People's Committee (preschools, primary and secondary schools)

Note: Under Resolution No. 23/2026/NQ-CP (effective 29 April 2026 to 1 March 2027), the Establishment Decision for overseas university branch campuses is now issued by the Minister of MOET. Decree 86, Decree 124, and Decree 125 are expected to be amended accordingly.

LAND AND CONSTRUCTION AREAS

Both foreign-invested and domestic educational institutions must comply with land and construction area requirements, which vary by the type of institution and location.

For universities, both foreign and domestic institutions must have a minimum construction land area of 5 hectares at the head office.

For branch campus of a foreign-invested higher education institution or an overseas university must have a minimum construction land area of 2 hectares.

For preschools and primary, secondary, and high schools, there are minimum area requirements per student, based on whether the institution is located in urban or rural areas. In urban centres like Hanoi and Ho Chi Minh City, domestic institutions can use construction floor area instead of construction land area to meet these.

FOREIGN-INVESTED INSTITUTIONS (DECREE 86 & 124)	DOMESTIC INSTITUTIONS (DECREE 125)
<ul style="list-style-type: none"> • Universities: Minimum construction land area of 5ha at the head office, minimum construction floor area of 9 m² per student. • Branch campus of a foreign-invested university or an overseas university: Minimum construction land area of 2ha, minimum construction floor area of 9 m² per student. • Preschools: Minimum construction floor area (calculated based on one campus/site) of 8 m² per child (urban) and 12 m² per child (rural). • General education schools (primary, secondary and high schools): Minimum construction floor area (calculated based on one campus/site) 6 m² per student (urban), 10 m² per child (rural); and minimum learning and teaching area of 2.5 m² per child. 	<ul style="list-style-type: none"> • Universities: Minimum construction land area of 5ha at the head office. • Preschools (calculated across all campuses/sites): Minimum construction land area of 12 m² per child; except 8 m² per child for Grade III+ urban areas. • Primary and secondary schools (calculated across all campuses/sites): Minimum construction land area of 10 m² per student; except 6 m² per student for Grade III+ urban areas. • High schools: Minimum construction land area of 10 m² per student; except 6 m² per student for Grade III+ urban areas. <p>For general education schools that organize boarding facilities or provide centralized meal and accommodation arrangements for semi-boarding students, the land area allocated for facilities serving boarding and centralized meal and accommodation purposes for semi-boarding students must ensure a minimum of 6 m² per student.</p> <p>If located in central Hanoi or Ho Chi Minh City, land area can be replaced by construction floor area. If located in central Hanoi or Ho Chi Minh City, land area can be replaced by construction floor area.</p>

Access to land that is zoned for education use has always been an issue for investment into education institutions. It is common for education institutions to lease land that is owned by the founder of the school, and the land is typically located in residential areas. The founder will enter into a long-term lease with the school for the use of the land.

In this regard, Resolution 248/2025/QH15 addresses one of the longest-standing barriers to land access for education projects. Land currently used for non-educational purposes (eg. residential land and commercial land) is allowed to be used for educational purposes without requiring a change to the land use planning.

Resolution 248/2025/QH15 takes effect from 1 January 2026 and applies to all educational institutions within the national education system. In the event of any conflict with other laws or resolutions of the National Assembly governing the same matter, Resolution 248/2025/QH15 shall prevail, unless a subsequent National Assembly instrument document provides for more favourable mechanisms or policies.

That said, the practical implementation of these provisions remains uncertain, and investors should expect some degree of ambiguity in how local authorities apply these rules in practice.

STUDENT-TEACHER RATIO

Foreign-invested educational institutions are required to maintain a specific student-teacher ratio, while private domestic institutions may adapt and apply the MOET requirements applicable to public institutions, taking into account their actual circumstances.

FOREIGN-INVESTED INSTITUTIONS (DECREE 86 & 124)	DOMESTIC INSTITUTIONS (DECREE 125)
<ul style="list-style-type: none"> • Nursery school: 05 children per teacher • Kindergarten: 10-12 children per teacher • Primary school: 1.5 teachers per class Secondary school: 1.95 teachers per class • High school: 2.25 teachers per class • University: max 10:1 (arts); 15:1 (science & technology); 25:1 (social sciences, humanities, economics, business administration) 	<p>Not provided specifically. Private domestic institutions may adapt and apply the MOET requirements applicable to public institutions, taking into account their actual circumstances.</p>

TEACHER QUALIFICATION REQUIREMENTS

Both foreign-invested and domestic education institutions are required to comply with teacher qualification standards, although there are some differences in specific standards. The teacher qualification standards for foreign-invested educational institutions are generally more specific and stringent compared to domestic institutions.

Moreover, teachers who do not meet the standard qualifications in domestic institutions can still be employed under certain conditions as set out in Decree No. 71/2020/ND-CP (as amended by Decree No. 311/2025/ND-CP) and Circular No. 24/2020/TT-BGDĐT, which allow for teachers to be trained to meet the required qualifications while teaching. Such flexibility is unlikely to be applied in foreign-invested schools, where stricter qualifications are likely enforced.

For higher education institutions, foreign-invested universities have additional requirements for their faculty. Not only must lecturers meet the required academic qualifications, but the institution must also ensure that at least 60% of the program's teaching load is covered by permanent lecturers, with no less than 50% of the lecturers holding doctoral degrees. These stricter requirements are not currently imposed on domestic universities. This distinction underscores the higher standards expected from foreign-invested institutions, particularly at the university level, compared to their domestic counterparts.

Summary of differences:

FOREIGN-INVESTED INSTITUTIONS (DECREE 86 & 124)	DOMESTIC INSTITUTIONS (DECREE 125)
<ul style="list-style-type: none"> • Preschools: At least college degree in preschool education pedagogy or equivalent. • Primary, secondary and high schools: At least bachelor's degree in education pedagogy or equivalent. • Universities: Master's degree required; at least 50% of lecturers must have a doctoral degree, and the institution must have permanent lecturers for at least 60% of each program volume. 	<ul style="list-style-type: none"> • Preschools: College degree in pedagogy or higher. • Primary, secondary and high schools: At least a bachelor's degree in a relevant teacher-training discipline, or a bachelor's degree in another related field, provided that such teacher also possesses a valid teaching certificate. • University: Master's degree required. For teachers teaching at the master's and doctoral levels, a doctoral degree is required.





SPECIFIC REQUIREMENTS APPLICABLE FOR FOREIGN-INVESTED EDUCATIONAL INSTITUTIONS

An education institution can be treated as foreign-invested educational institution through either direct foreign ownership in an operating company that directly owns the education institution, or majority foreign ownership in a holding company that owns the operating company. The foreign-invested education institution is allowed to use its own seals and accounts.

Summary on key requirements applicable to foreign-invested education institutions under Decree 86 (as amended by Decree 124):

i. Investment Capital Requirements

Investment Capital Requirements (excluding land-use costs) vary depending on whether the facility of the foreign-invested educational institution is newly constructed by the foreign investor or rented from/contributed by Vietnamese partners.

 <p>PRESCHOOL</p> <p>New construction VND 30M / child Leased / partner facilities VND 21M / child</p> <hr/> <p>Progress-based requirement <i>Rented: >50% of registered capital implemented at Operating License appraisal; remaining within 5 years of issuance.</i></p>	 <p>PRIMARY, SECONDARY & HIGH SCHOOLS</p> <p>New construction VND 50M / student (min. VND 50B total) Leased / partner facilities VND 35M / student</p> <hr/> <p>Progress-based requirement <i>Both cases: >50% of registered capital implemented at Operating License appraisal; remaining within 5 years of issuance.</i></p>
 <p>UNIVERSITY</p> <p>New construction VND 1,000B Leased / partner facilities VND 700B</p> <hr/> <p>Progress-based requirement <i>New construction: >50% at Establishment License appraisal. Rented: >50% at Operating License appraisal; remaining within 5 years of issuance.</i></p>	 <p>BRANCH CAMPUS (OVERSEAS UNIVERSITY)</p> <p>New construction VND 500B Leased / partner facilities VND 350B</p> <hr/> <p>Progress-based requirement <i>New construction: >50% at Establishment License appraisal. Rented: >50% at Operating License appraisal; remaining within 5 years of issuance.</i></p>

ii. Requirements on facility construction area





 Preschool Minimum construction floor area: 8sqm per child (urban area); 12sqm per child (rural area) Learning and teaching area minimum: N/A Minimum residential / living area: N/A	 Primary, Secondary and High Schools Minimum construction floor area: 6sqm per student (urban area); 10sqm per student (rural area) Learning and teaching area minimum: 2.5sqm per student Minimum residential / living area: N/A
 University Minimum construction floor area: 9sqm per student Minimum construction land area: 5 hectares Learning and teaching area minimum: 6sqm per student Minimum residential / living area: 3sqm per student	 Branch campus of Overseas University Minimum construction floor area: 9sqm per student Minimum construction land area: 2 hectares Learning and teaching area minimum: 6sqm per student Minimum residential / living area: 3sqm per student

Photo: International School of Ho Chi Minh

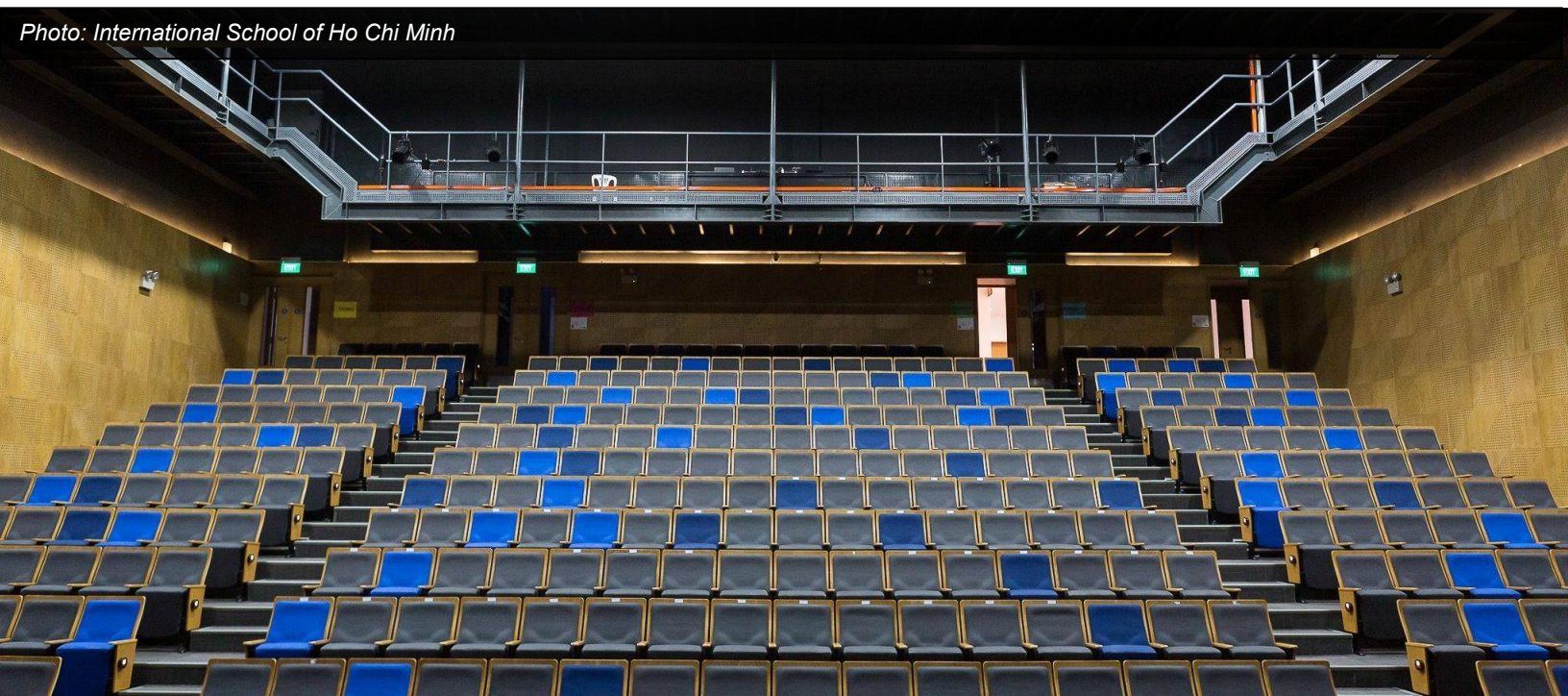






Photo: British University in Hanoi

iii. Requirement on teaching ratio

 <p>Preschool</p> <p>Maximum number of children / students per class:</p> <ul style="list-style-type: none"> ▪ Nursery school: <ul style="list-style-type: none"> From 3-12 months old: 15 children per group From 13-24 months old: 20 children per group From 25-36 months old: 25 children per group ▪ Kindergarten: <ul style="list-style-type: none"> From 3-4 years old: 25 children per class From 4-5 years old: 30 children per class From 5-6 years old: 35 children per class <p>Teaching ratio maximum</p> <ul style="list-style-type: none"> ▪ Nursery school: 5 children per teacher ▪ Kindergarten: 10-12 children per teacher <p>Minimum teacher qualifications: Teachers must hold at least a college degree in preschool pedagogy.</p>	 <p>Primary, Secondary and High Schools</p> <p>Maximum number of children / students per class:</p> <ul style="list-style-type: none"> ▪ Primary school: 30 students per class ▪ Secondary and high schools: 35 students per class <p>Teaching ratio maximum</p> <ul style="list-style-type: none"> ▪ Primary school: 1.5 teachers per class ▪ Secondary school: 1.95 teachers per class ▪ High school: 2.25 teachers per class <p>Minimum teacher qualifications: Teachers must hold at least a bachelor's degree in pedagogy.</p>
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University

Maximum number of children / students per class: N/A

Teaching ratio maximum:

- 10:1 for arts majors
- 15:1 for science and technology majors
- 25:1 for social sciences, humanities, economics, and business administration majors

Minimum teacher qualifications: Lecturers must hold at least a master's degree, with at least 50% of them holding doctoral degrees. Native speaking lecturers teaching foreign language skills must have a bachelor's degree or higher and possess appropriate certification to teach the language.



Branch campus of Overseas University

Maximum number of children / students per class: N/A

Teaching ratio maximum: Comply with the regulations of the foreign parent universities

Minimum teacher qualifications: Lecturers at branch campuses must meet the qualifications set by the foreign institution establishing the campus, ensuring that these qualifications are not lower than Vietnam's requirements (i.e., the minimum qualification for a university lecturer is a master's degree, for those in lecturer positions with a master's or doctoral degree, a doctoral is necessary).

Photo: Library in British International School, HCMC



iv. Requirements regarding teaching facilities and equipment



Preschool

- The school campus must be in one location, in an appropriate environment. The construction floor area of the school building is to be calculated based on the number of intended classes and children to be accommodated;
- The school must have lighting, desks and chairs, equipment and aids used for teaching in accordance with the educational program requirements;
- The school must ensure sufficient area and equipment for the school's office, management board rooms, administrative and management offices, medical room, security room, staff rooms, and materials necessary for managing, caring for, nurturing, and educating children in accordance with the educational program requirements;
- The school must have a clean water system, drainage system, restrooms, and sanitation equipment that ensures safety, cleanliness, and meets the daily needs of the school;
- The school must have a kitchen organised according to a one-way operational process, with equipment and utensils that ensure food hygiene and safety, if the school provides meals for the children;
- The school must have a playground and surrounding fences / walls, and a gate specifying the school's name; and
- There must be trees in the school area. All construction, equipment, materials and toys must ensure absolute safety for the children.



Primary, Secondary and High Schools

- The school campus must be in one location, in an appropriate environment. The construction floor area of the school building is to be calculated based on the number of intended classes and children to be accommodated and regional particularities.
- The school must have a school office, management board rooms, teachers' room, and a meeting room;
- The school must have subject classrooms (for secondary schools and high schools), library, desks, chairs, teaching equipment and aids that satisfy the current standards of the MOET;
- The school must have multi-purpose gyms, art rooms, computer labs, an office for educational support for students with disabilities in inclusive education; canteens and break rooms (for day-boarding schools);
- The school must have clean water supply and toilets suitable for the scale of the school, meeting current standards of the MOET;
- The school must have a playground, training grounds, and a parking lot that accounts for at least 30% of the school lot area; and
- The school must be surrounded by fences / walls with gates specifying the school's name.



University

- The university must have adequate lecture halls, classrooms and functional rooms that satisfy the training requirements in the appropriate disciplines and forms of training.
- The university must have adequate offices, administration areas, and management boards that suit the organisational structure of the relevant academic departments, faculties and disciplines. The minimum area must be 8 m² per person.
- The university must have conference rooms, libraries, testing labs, workshops, and other facilities that satisfy the requirements of the training programme and science- and technology-related activities.
- The university must have canteens and construction works serving recreation, sports and cultural activities, and medical constructions and services serving the managers, lecturers, and students.
- The university must have a technical construction area and vehicle parking spaces.



Branch campus of Overseas University

- The campus must have adequate lecture halls, classrooms and functional rooms that satisfy the training requirements in the appropriate disciplines and forms of training.
- The campus must have adequate offices, administration areas, and management boards that suit the organisational structure of the relevant academic departments, faculties and disciplines. The minimum area must be 8 m² per person.
- The campus must have conference rooms, libraries, testing labs, workshops, and other facilities that satisfy the requirements of the training programme and science- and technology-related activities.
- The campus must have canteens and construction works serving recreation, sports and cultural activities, and medical constructions and services serving the managers, lecturers, and students.
- The campus must have a technical construction area and vehicle parking spaces.

3.4. Teaching curriculum

The education curriculum must be: (a) accredited or approved by the relevant offshore education authority; (b) delivered in the offshore country for at least five years as of the filing date for the operational license; and (c) approved by the foreign educational institution or organisation that owns the curriculum for use in Vietnam.

The education curriculum must not: (a) contain any content that is detrimental to national defence, national security, or public interests; and (b) disseminate religious propaganda, distort history, or negatively affect Vietnamese culture, ethics, or fine customs and traditions of Vietnam.

The education curriculum must ensure compatibility and articulation among educational levels and qualifications, and ensure transferability where students transition to study at a public educational institution in accordance with regulations of the MOET and must be compatible with Vietnam's educational objectives.

Foreign-invested schools may adopt Vietnamese curriculum according to Vietnamese laws, or an approved foreign curriculum.

3.5. Mandatory content for Vietnamese students

i. Schools

As a general principle, Vietnamese citizens studying foreign education programmes at foreign-invested K-12 schools must study Vietnamese language development and Vietnamese studies.

- Pre-schoolers focus on Vietnamese language skills with a minimum of twice-weekly sessions.
- Primary students must attend a Vietnamese language program for at least 140 minutes per week and a Vietnamese studies program for at least 70 minutes per week in Grades 4 and 5.
- Secondary and high school students study a Vietnamese studies program for at least 90 minutes weekly.

Teachers teaching mandatory programmes must be Vietnamese, and Vietnamese must be the language of teaching and instruction. In addition, schools are encouraged to teach Vietnamese language programmes and Vietnamese studies programmes to foreign students.

ii. University

Vietnamese students studying in degree programmes at foreign-invested universities must study compulsory subjects similar to those required at Vietnamese-invested universities. Additionally, the foreign-invested university may accept credits for compulsory subjects completed at other accredited Vietnamese universities.

3.6. Hiring foreign teachers

i. Qualifications

Foreign teachers must possess a college degree or higher, depending on the level of education they will be teaching, as mentioned in **Section 2.1** (*Investment Requirements*).

ii. Work permit

Foreign teachers must obtain a work permit from the Vietnamese authorities, as required by labour laws unless exempted under specific conditions. Exemptions include persons who are certified by the MOET entering Vietnam for teaching, researching, and transferring international education programmes.

The application process requires, among others, proof of qualifications, work experience, a health check, and a criminal background check from either their home country or Vietnam. It is also worth noting that, in order to be granted a work permit, foreign teachers must hold at least a bachelor's degree.

The hiring educational institution must also justify the need for foreign teachers, showing that the role cannot be filled by Vietnamese nationals, and specify the number and roles of foreign teachers intended for hire.

Work permits are typically valid for two years and must be renewed if the teacher continues employment in Vietnam. The approval process may involve evaluations by education authorities to ensure compliance with qualification regulations.

iii. Employment conditions

Foreign teachers could be employed under a labour contract with an educational institution that complies with Vietnamese labour laws, including basic employment terms such as salary, working hours, benefits, and termination conditions. They will be entitled to the same labour rights as Vietnamese employees, including social insurance, health insurance, and labour protection.

3.7. Tuition fees

Private education institutions have the authority to determine their own tuition fees and prices for educational services to ensure they cover costs and achieve reasonable financial accumulation. These institutions must disclose and explain these fees to both students and the public. In addition, institutions must provide a detailed explanation of the average cost of education per student, annual tuition fees, and charges for all levels of education, including preschool, compulsory education level, and university courses. They must also outline the planned increase in tuition fees for the coming years, with annual increases capped at 15% for vocational and university education and 10% for K-12 education. This information must be publicly disclosed in compliance with legal requirements.

Institutions are required to publish tuition fees, other charges, and collection levels for the current school year and for each upcoming school year before enrolment or admission. Educational institutions, prior to conducting enrolment or admission, must publicly disclose tuition fees and training costs for each academic year and each level of education for preschool and general education; and, for higher education, the tuition fee schedule, including any tuition increase roadmap (if any), for each academic year as well as the projected tuition fees for the entire programme.

3.8. Vietnamese students' enrolment cap

Foreign-invested K-12 schools are permitted to enrol both Vietnamese and foreign students in foreign educational curriculum. However, the number of the Vietnamese students enrolled in foreign educational curriculum must be less than 50% of the total number of students enrolled in foreign educational curriculum at such school.

Vietnamese students enrolled in foreign educational curriculum must study the mandatory contents as discussed in **Section 3.5** (*Mandatory content for Vietnamese students*).

3.9. Educational linkages

Regarding the scope of partnerships in preschool and general education, Decree 86 allows collaborations with both educational institutions and organisations offering programmes. Eligible foreign partners must have at least five years of operational experience and comply with their host country's laws. In addition, the curriculum, facilities, and teaching staff involved in educational linkage programmes must satisfy the applicable requirements under Vietnamese law.

SECTION THREE

KEY CHANGES UNDER THE NEW LEGISLATIVE FRAMEWORK

4.1. Law on Amendments to Law on Education 2025

i. Investment in private educational institutions

The Law on Amendments to Law on Education 2025 expressly provides that where there are two or more investors, an economic organization (typically a corporate structure), must be first established to carry out the establishment of the educational institution. For this purpose, “an economic organization” refers to an entity established in accordance with the applicable laws on investment and enterprises. With respect to the existing private educational institutions that were set up directly by two or more investors without establishing an economic organization, such investors must establish an economic organization within 12 months from 1 January 2026.

ii. Requirement for capital transfer in private educational institutions

The Law on Amendments to Law on Education 2025 supplements conditions on capital transfer of private nurseries, kindergartens, preschools, and private institutions providing general education, vocational education, and higher education. The law expressly stipulates that capital transfers must comply with the applicable laws on investment, enterprises, and other relevant laws. Upon completion of the capital transfer, the educational institution shall be responsible for notifying the competent educational authority.

In addition, the Government has officially issued Decree 66 that provides further details on the licensing requirements in connection with capital transfers in private schools. In particular:

(a) Disclosure and notification obligation

Within 14 business days from the effective date of the capital transfer, private schools are required to (i) publicly disclose a list of new investor(s) on their official website; and (ii) notify the relevant competent authorities where the schools locate of the list of new investor(s).

For this purpose, the relevant competent authorities include:

PRIVATE SCHOOL LEVEL	COMPETENT AUTHORITIES
Private nurseries, kindergartens, and preschools; and private primary schools, secondary schools, and multi-level general education schools with the highest level being secondary education	Direct managing authority (i.e., Culture and Social Affairs Division); and Commune-level People's Committee.
Private high-schools and multi-level general education schools with the highest level being high-school education	DOET; and Commune-level People's Committee.
Private vocational education institutions and private higher education institutions	Provincial People's Committee; and Commune-level People's Committee.

The above obligation applies to capital transfer transactions involving private schools from 15 March 2026, as well as to capital transfers completed prior to that date. Accordingly, the private schools (regardless of whether their investors are domestic or foreign) that have completed capital transfers before 15 March 2026 are required to comply with the disclosure and notification obligation within 14 business days from 15 March 2026.

(b) Amendment to Operating License:

Within 30 business days from completion of a capital transfer between domestic and foreign investors, private schools are required to apply for an amendment to their Operating License.

When a domestic school becomes a foreign-invested school as a result of a capital transfer, the amendment will be carried out in accordance with Decree 86, which governs foreign-invested educational institutions.

The above obligation applies to capital transfer transactions involving private schools from 15 March 2026, as well as to capital transfers completed prior to that date. Accordingly, the private schools that have completed capital transfers between domestic and foreign investors before 15 March 2026 are required to comply with the amendment to the Operating License within 30 business days from 15 March 2026.

iii. Term of “investor” under the Law on Amendments to Law on Education 2025

The Law on Amendments to Law on Education 2025 expressly provides that the term of investor is determined in accordance with the regulations on investment. It is important to seek legal advice on the typical structures that are put in place for educational institutions as prescribed by the law on investment of Vietnam.

4.2. Law on Higher Education 2025

i. Standards for Higher Education Institutions (HEIs)

The Law on Higher Education 2025 introduces a standalone provision governing the standards applicable to HEIs. The inclusion of this provision is intended to establish a minimum quality assurance threshold, serving as a benchmark for assessing operational performance. This amendment reflects the policy direction of enhancing institutional autonomy and accountability of the HEIs, while shifting the regulatory approach from ex ante control to ex post, results-based supervision under a standardized framework.

ii. HEIs and other educational institutions that conduct higher education activities

The Law on Higher Education 2025 clearly distinguishes between higher education institutions and other educational institutions that conduct higher education activities. Accordingly, other educational institutions that conduct higher education activities include:

- (a) academies and research institutes established by the Prime Minister that are permitted to provide doctoral-level training;
- (b) schools or institutions, including those under other designations, established by state agencies, political organizations, socio-political organizations, and the people's armed forces, which are permitted to provide one or more levels of higher education within the scope of their specialized fields under their management authority; and
- (c) organizations or units established pursuant to international treaties to which the Socialist Republic of Vietnam is a member, or pursuant to decisions of the Prime Minister, that are permitted to provide one or more levels of higher education.



iii. Removal of Stand-Alone Provisions on Investors' Rights and Obligations

Under the Law on Higher Education 2025, the standalone provisions governing investors' rights and obligations have been removed. As a result, matters relating to capital contribution, financial decision-making authority, the establishment of supervisory boards, loss handling, and institutional restructuring are no longer expressly regulated under the Law on Higher Education 2025 but instead fall within the direct regulatory scope of the relevant specialized laws, including the regulations on investment and enterprises.

Under the Law on Higher Education 2025, investment activities in higher education shall be carried out in accordance with the Law on Education 2019 and in compliance with higher education development plans and strategies, as well as socio-economic development orientations. Investment activities in higher education involving foreign elements shall comply with international treaties to which Vietnam is a member and with Vietnamese law.

iv. Investment in Higher Education

Under the Law on Higher Education 2025, investment activities in higher education shall be carried out in accordance with the Law on Education 2019 and in compliance with higher education development plans and strategies, as well as socio-economic development orientations. Investment activities in higher education involving foreign elements shall comply with international treaties to which Vietnam is a member and with Vietnamese law.

4.3. Law on Vocational Education 2025

i. Introduction of Vocational High School Model

Under the Law on Vocational Education 2025, vocational high education is at the same educational level as general high schools, integrating the core components of the high school curriculum with vocational specializations, and providing learners with an integrated pathway that combines general education with vocational skills training. This reform aims to equip students with foundational academic knowledge alongside practical vocational competencies from an early stage, enabling them to enter the labour market directly upon graduation or to pursue further education at higher levels, thereby improving workforce readiness and supporting long-term human resource development.

ii. Establishments engaged in Vocational Education and Training

The Law on Vocational Education 2025 clearly distinguishes between vocational education institutions and establishments participating in vocational education and training activities. Vocational education institutions include colleges, intermediate schools, and vocational high schools; while establishments participating in vocational education and training activities include vocational education and training centres, vocational education and continuing education centres, continuing education centres, other centres authorized to conduct vocational education and training activities, enterprises, cooperatives, and higher education institutions.

iii. Expanding Participation in Vocational Education and Training

- The HEIs are permitted to participate in vocational education and training in selected disciplines and fields aligned with national development priorities, such as arts, sports, teacher education, and national defence and security.

- The HEIs that have been upgraded from colleges, as well as HEIs that incorporated colleges through merger before 1 January 2026, may continue to enrol students at the college level until 31 December 2028.
- The HEIs currently offering programs in disciplines classified under the Strategic Technology List promulgated by the Prime Minister are permitted to provide college-level training in the same fields.

iv. Investment in Vocational Education and Training

Under the Law on Vocational Education 2025, investment activities in vocational education and training shall be carried out in accordance with the regulations on investment, education, and other relevant laws. Investment activities in vocational education and training involving foreign elements must be consistent with international treaties to which Vietnam is a member.

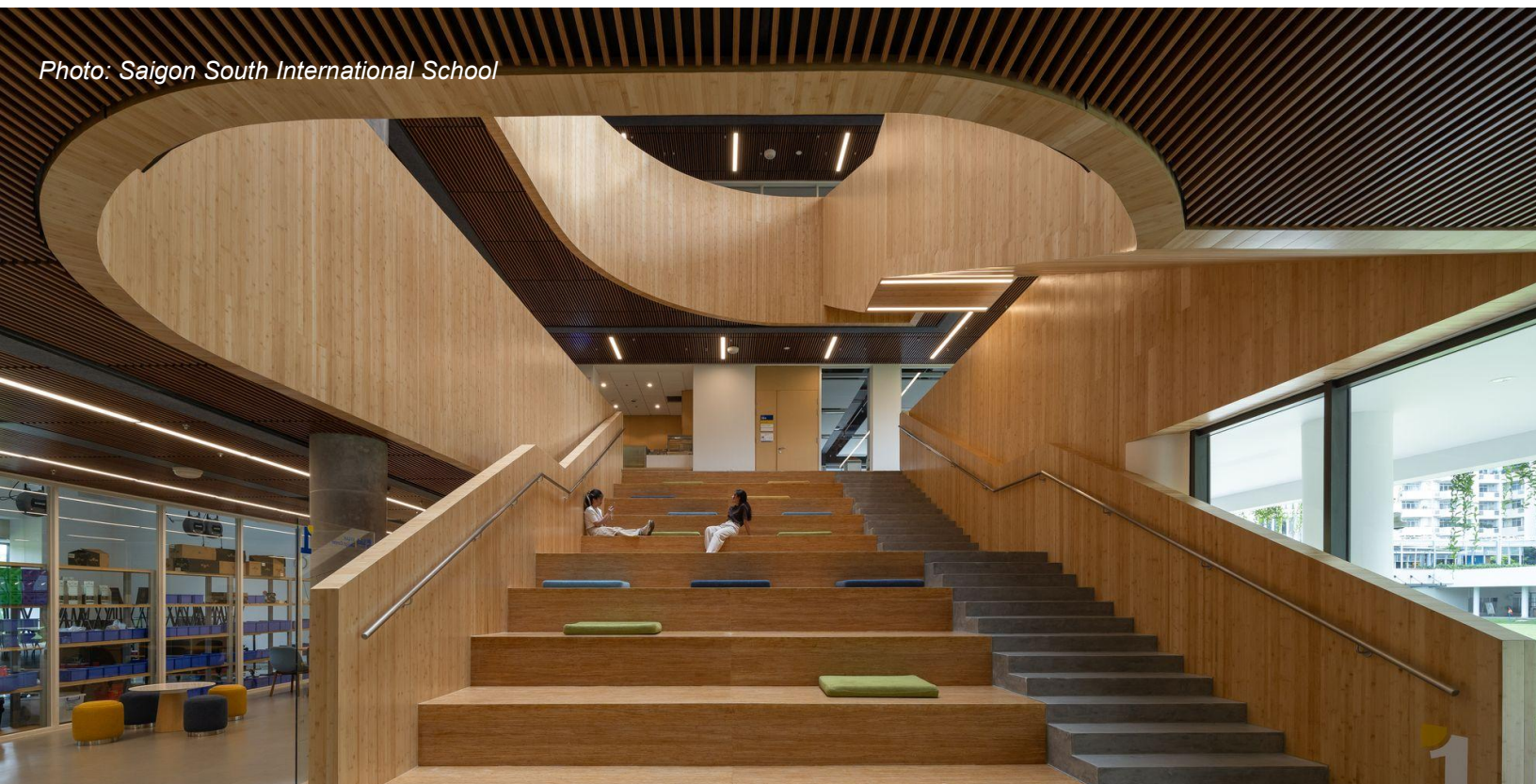
4.4. Law on Educators 2025

The Law on Educators 2025 regulates educators' professional activities, rights, and obligations, as well as all matters relating to the teaching profession, including training, professional development, remuneration, and the handling of violations. This law applies to all teachers working at educational institutions within the national education system, regardless of whether such institutions are domestically owned or foreign invested.

Notably, the Law on Educators 2025 clearly prescribes the required training qualifications for educators at each level of education, thereby replacing the corresponding provisions previously set out in the Law on Education 2019. The specific qualification requirements applicable to each teaching level are presented in **Section 3.3 (Teacher qualification requirements)** above.

In addition, the Law on Educators 2025 requires the uniform application of professional standards for teachers across both public and private educational institutions. These professional standards comprise a system of criteria applicable to each teaching position, including standards on professional ethics, education and professional training, and professional competence and skills.

Photo: Saigon South International School



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About Kinstellar Southeast Asia

Kinstellar Southeast Asia, in cooperation with Asia Counsel Vietnam Law Company Limited, is a leading law firm based in Ho Chi Minh City with over a decade of experience advising international and Vietnamese investors. Our team of more than 30 lawyers combines deep local insight with international standards to deliver precise, business-focused legal advice. Our partners are internationally trained and have practised at leading global and regional law firms, working seamlessly on multi-jurisdictional mandates. We support banks, funds and corporates on complex cross-border transactions in Vietnam and across the region.

In our education practice, we advise investors, education operators and lenders on the full lifecycle of education projects in Vietnam. This includes market entry and structuring, establishment and operating licences, regulatory and compliance advisory, education-related M&A and financings, and the development of campuses and facilities, including foreign university presences and branch campuses.

Our clients span international and Vietnamese education providers, funds and financial institutions. We regularly act for international school groups, K-12 and higher education institutions, edtech companies, training providers and service partners, as well as corporates expanding into the sector, on market entry, licensing and ongoing compliance, as well as transactions and financings involving education assets and platforms.

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