

Updates to Environmental Protection Regulations – Decree No. 05/2025/NĐ-CP

General

On 6 January 2025, the Government issued Decree No. 05/2025/NĐ-CP, amending and supplementing certain provisions of Decree No. 08/2022/NĐ-CP, which details the implementation of the Law on Environmental Protection.

In general, Decree No. 05/2025/NĐ-CP has been developed based on three core principles:

- **Administrative Procedure Reform:** Simplifying administrative procedures for individuals and businesses by reducing the number of entities required to comply with environmental administrative formalities.
- **Decentralization and Delegation:** Reviewing and enhancing the delegation of authority to local governments to handle certain environmental administrative procedures that previously fell under the jurisdiction of the Ministry of Natural Resources and Environment.
- **Facilitation of Implementation:** Revising regulations to facilitate the implementation of new policies and provisions on environmental protection.

Noticeable changes:

1. Adding the Interpretation of terms

The Interpretation of terms for *heat water exchange, Wastewater requiring treatment, Sources of wastewater generation, Wastewater flow, receiving water source, Gas emission flow; Production, business, and service activities; Projects utilizing land and water surfaces; Environmental impact assessment reports approved after appraisal*, are now clear¹.

2. Changes in the identification of environmentally sensitive factors for Environmental criteria and classification of investment projects in point c, Article 28 Law on Environmental Protection which specifies more details on the exemptions and category standards for the below projects²:

- **Projects classified as production, business, and service types with potential environmental pollution risks** as stipulated in Appendix II issued together with Decree No. 08/2022/NĐ-CP and located in Wards of special urban areas or urban areas classified as Type I, II, III, and IV in accordance with the

law on urban classification, except for projects connected to centralized wastewater treatment systems of concentrated production, business, and service zones, or industrial clusters as stipulated by law, and which do not emit untreated dust or gas emissions into the environment.

- **Projects discharging wastewater into surface water bodies** used for domestic water supply purposes, as stipulated in the law on water resources, except in cases provided under Point b, Clause 2, Article 86 of the Law on Environmental Protection or cases where projects are connected to centralized wastewater treatment systems of concentrated production, business, and service zones, or industrial clusters as stipulated by law.
- **Projects utilizing land or water surfaces within nature conservation areas** as stipulated by the laws on biodiversity, forestry, or fisheries; special-use forests, protective forests, or land with natural forests in accordance with forestry laws; aquatic resource protection zones under the law on fisheries; important wetlands; biosphere reserves; and world natural heritage sites, and which fall under one of the cases specified in Points a, b, c, and d, Column (3), Item 7a of Appendix III of Decree No. 08/2022/NĐ-CP (except for projects involving construction works approved by competent authorities with objectives limited to forest management and protection; nature conservation and biodiversity preservation; forest fire prevention and firefighting; or silviculture).
- **Projects utilizing land or water surfaces within world heritage sites, national cultural-historical sites, or national and special national scenic spots** as classified under the law on cultural heritage (except for projects involving construction works approved by competent authorities limited to the following objectives: Preservation, restoration, rehabilitation, and renovation of cultural-historical sites and scenic spots; projects aimed at management, environmental sanitation, and protection of cultural-historical sites and scenic spots; or maintenance and upkeep projects to ensure traffic safety).

¹ Clause 1 Article 1 Decree 05/2025

² Clause 1 Article 1 Decree 05/2025

- **Projects requiring conversion of land use purposes** for wet rice cultivation of two or more crops with the converted land area specified in Column (3), Item 7c of Appendix III of Decree No. 08/2022/NĐ-CP; or projects requiring conversion of land use purposes, including land and water surfaces in nature conservation zones, world natural heritage sites, biosphere reserves, important wetlands, special-use forests, protective forests, or land with natural forests, and which fall under one of the cases specified in Points a, b, c, and d, Column (3), Item 7b of Appendix III of Decree No. 08/2022/NĐ-CP (except for projects involving construction works approved by competent authorities with objectives limited to forest management and protection; nature conservation and biodiversity preservation; forest fire prevention and firefighting; or silviculture).

3. Decentralization of authority to appraise Environmental Impact Assessment reports of the Ministry of Natural Resources and Environment to the Provincial People's Committee

Notably, Clause 7, Article 1 of Decree No. 05/2025/NĐ-CP introduces **Article 26a** to Decree No. 08/2022/NĐ-CP, which provides for the delegation of authority to Provincial People's Committees (PPCs) to appraise Environmental Impact Assessment (EIA) reports and issue environmental permits under the Ministry of Natural Resources and Environment's jurisdiction.

Accordingly, the delegation to PPCs applies to the appraisal of EIA reports and the issuance of environmental permits (if required) for investment projects under the Ministry of Natural Resources and Environment's EIA appraisal authority, except for projects that fall under the following conditions:

- i. Projects located in areas spanning two or more provincial-level administrative units;
- ii. Projects situated in marine areas where administrative management responsibilities of PPCs are undefined;
- iii. Projects with interprovincial surface water discharge sources, as announced by the Ministry of Natural Resources and

Environment under the regulations of the law on water resources.

The delegation covers the following types of projects:

- i. Public investment projects that are not subject to the National Assembly or the Prime Minister's decision or approval of investment policies, excluding projects related to waste recycling and treatment services.
- ii. Livestock farming projects.
- iii. Investment projects for the operation of livestock and poultry slaughtering facilities.
- iv. Projects are classified based solely on criteria requiring the conversion of two or more rice crop seasons into non-agricultural land use.
- v. Projects classified solely based on criteria requiring the conversion of land use purposes in protected areas, natural heritage sites, or water-surface land, excluding those under the jurisdiction of the National Assembly or the Prime Minister for decision or approval of investment policies.
- vi. Investment projects within centralized production, business, and service zones or industrial clusters, excluding: Projects involving hazardous waste treatment services; Projects importing scrap materials from abroad for use as production materials;...
- vii. Hydropower projects not under the authority of the National Assembly or the Prime Minister to decide or approve investment policies.

4. Changes in Consultation in Environmental Impact Assessment of which specify the procedures, timeline, and responsibilities of each participating party; and supplementing the provisions to enhance transparency, responsiveness, and coordination among the parties³

a. Subjects to be consulted:

- **Communities and individuals directly affected by the investment project**
 - The scope of "Communities and individuals directly affected by the investment project" is clarified in more detail. In addition to consultations conducted through public meetings, Decree 05/2025 introduces

³ Clause 8 Article 1 Decree 05/2025

written consultation as an additional method for seeking opinions from this object.

- The regulation mandates that the project investor must coordinate with the commune-level People's Committee to issue invitations to all affected communities and individuals for participation in consultation meetings.

The number of participants in consultation meetings and those consulted through written questionnaires must account for at least two-thirds of the total directly affected individuals.

- **Relevant agencies and organizations directly related to the investment project:** In addition to the listed agencies and organizations, the scope of relevant entities is expanded to include other agencies and organizations directly related to the investment project, as identified through the environmental impact assessment process.

b. Content to be consulted:

Regulating the template on consultation content during the implementation of environmental impact assessments, as specified in the template provided in Appendix VIa issued with Decree 05/2025.

c. Consultation Methods:

For the method of consultation via posting on electronic information portals, the regulation clarifies the deadlines for posting, consultation, and providing results. Specifically:

- Within **one (1) day** from the date the investment project owner submits a request for posting, the unit managing the electronic information portal of the appraisal agency is responsible for uploading the consultation content.
- The consultation period is set as follows:
 - **15 days** for investment projects classified as Group I, as specified in Appendix III, issued with Decree 05/2025.
 - **10 days** for investment projects classified as Group II, as specified in Appendix IV, issued with Decree 05/2025.
 - **5 days** for projects located in centralized production, business, or service zones, or industrial clusters.
- Within **three (3) days** from the end of the consultation period, the unit managing the electronic information portal must provide the

consultation results to the investment project owner.

For the method of consultation conducted through organized meetings to collect opinions, adding the regulation that the Commune-level People's Committee must hold the consultation meeting within a maximum period of **15 days** from the date of receiving the written request from the investment project owner.

For the method of Written Consultation

The project investor shall take the lead and coordinate with the Commune-level People's Committee in the project location to distribute consultation forms to the entities of who are Communities and individuals directly affected by the investment project and do not attend the consultation meeting.

The project owner shall send to the entities requiring consultation who are Relevant agencies and organizations directly related to the investment projects stipulated by the regulations following:

- i. The environmental impact assessment report of the project;
- ii. The consultation document in the format specified under the applicable regulations;
- iii. The consultation content in the prescribed format.

The entities consulted in writing are responsible for providing a written response within a maximum of **15 days** from the date of receiving the consultation document. If no response is received within the prescribed period, it shall be considered as agreement with the consultation content.

d. Project investors' obligations in consultation with environmental experts, scientists, and appropriate professional organizations are encouraged but not compulsory, as previously for some regulated projects.

5. Amendments to Provisions on Environmental Permits

Clauses 10, 11, and 12 of Article 1 in Decree No. 05/2025/NĐ-CP introduce amendments and supplements to the provisions of Decree No. 08/2022/NĐ-CP concerning environmental permits. These include:

- **Key Contents of Environmental Permit Proposals (Article 28 of Decree No. 08/2022/NĐ-CP):** Revisions have been made to the structure and essential elements

required in reports proposing the issuance of environmental permits.

- **Dossier, Procedures, and Processes for Permit Issuance (Article 29 of Decree No. 08/2022/NĐ-CP):** Updates have been introduced to standardize the documentation, steps, and processes for obtaining environmental permits, ensuring clarity and efficiency.
- **Renewal, Adjustment, Reissuance, and Revocation of Permits (Article 30 of Decree No. 08/2022/NĐ-CP):** Enhanced guidelines now detail the criteria and processes for renewing, adjusting, reissuing, or revoking environmental permits to better align with practical requirements and compliance enforcement.

6. Amending criteria for the Entities exempt from environmental registration according to Article 49 of the Law on Environmental Protection

- Investment projects specified in point b, clause 2, Article 49 of the Law on Environmental Protection, when in operation, and production, business, or service facilities that do not generate waste or meet the following criteria:
 - Regularly generate hazardous waste of less than 20 kg/month or less than 240 kg/year;
 - Regularly generate industrial solid waste that must be treated, less than 100 kg/month or less than 1,200 kg/year;
 - Generate household solid waste of less than 300 kg/day;
 - Generate wastewater of less than 05 m³/day and exhaust gas of less than 50 m³/hour, which is treated by on-site treatment systems or managed according to local government regulations.
- Entities specified in point c, clause 2, Article 49 of the Law on Environmental Protection are specifically regulated in Appendix XVI issued Decree 05/2025, of which compared to Decree 08/2022, it is added “Aquaculture projects and facilities on the sea, rivers, streams, and reservoirs” however remove the classifies of the project Investment projects that meet all the following criteria:

- Do not generate emissions that require treatment;
- Do not generate wastewater or, if wastewater is generated, it is connected to a centralized wastewater treatment system that has been granted an environmental permit by the competent state authority;
- Do not generate hazardous waste during operations.

7. Amending and supplementing some points in environmental remediation and rehabilitation in mining exploitation activities⁴

- Regulating on incorporating changes into the mine closure plan are to be reviewed during the appraisal process of the mineral exploitation facility's mine closure plan.
- Add provisions for cases not requiring an environmental rehabilitation and restoration plan for mineral exploitation activities involving the recovery of minerals used as ordinary construction materials within the project area or dredging projects combined with mineral recovery within the project area.
- Amending regulations on environmental rehabilitation and restoration deposits and the refund of such deposits in mineral exploitation activities, notably:
 - Add detailed provisions for cases where the deposit recipient does not engage in lending activities, cases where the deposit recipient applies multiple lending interest rates for different entities and the interest on deposit funds held by the deposit recipient.
 - Amend the deadline for multi-installment deposit payments to before January 31 of the deposit year.
- Supplementing regulations on decentralizing authority over managing and monitoring the use of environmental rehabilitation and restoration deposit funds in mineral exploitation activities. Specifically, the Ministry of Natural Resources and Environment shall oversee the Vietnam Environmental Protection Fund, while provincial-level People's Committees shall oversee provincial environmental protection funds.

⁴ Clause 15, Clause 16 Article 1 Decree 05/2025

8. Amending and supplementing regulations on environmental protection requirements and responsibilities of organizations and individuals importing scraps for use as production materials

- Regulating more details on the content of importing scrap as production materials in the environmental license. The license must specify the volume and types of scrap permitted for import, ensuring that the maximum does not exceed 80% of the demand for scrap as production materials based on the design capacity under the conditions of the environmental license, as stipulated in Clause 4, Article 45 of Decree 08/2022.
- Include regulations on the mechanism for issuing and the basis for adjusting the list of scrap permitted for import from abroad as production materials.

9. Amending and supplementing regulations on environmental protection in concentrated production, business or service zones, and industrial clusters and in some other fields

- Environmental protection requirements for centralized wastewater treatment systems, as stated in Article 48 of Decree 08/2022, have the following changes as stated in Clause 19 Article 1 of Decree 05/2025:
 - For systems divided into multiple units (modules) to align with the filling progress and operation of centralized production, business, and service zones, as well as industrial clusters, it is required to ensure the collection of all wastewater generated from new projects or additional wastewater from expanded investment projects or capacity upgrades, instead of the treatment satisfying environmental technical standards with the prescribed standards as previously required.
 - The provision regarding "generated sludge" has been removed from the required record-keeping content in the operational log for the centralized wastewater treatment system.
- The acceptance of new projects or investment projects to expand or increase the capacity of operating facilities that generate wastewater into concentrated production, business and service areas and industrial clusters has a clearer division. For new projects, wastewater must be connected, or for investment projects

to expand or increase capacity, it must be added to the collection point before being brought to the centralized wastewater treatment system.

- The responsibilities of the owners of establishments operating in concentrated production, business and service areas, and industrial clusters in implementing the provisions in Clause 1, Article 53 of the Law on Environmental Protection have noticeably changed as follows:
 - For new projects: additional exceptions have been added, specifically, new investment projects, and expansion investment projects of operating establishments that do not generate additional wastewater into the environment or do not have to invest in increasing the capacity of the wastewater treatment facility of that establishment, projects that are exempted from connection according to the provisions of the law on environmental protection before the effective date of the Law on Environmental Protection.
 - In case of factory leasing activities in concentrated production, business and service areas or industrial clusters, the factory leasing unit and the factory lessee must determine the responsibility for collecting and treating wastewater in accordance with the regulations of the investor in constructing and operating the infrastructure of concentrated production, business and service areas or industrial clusters.
 - New investment projects and expansion investment projects of operating facilities that generate heat exchange water discharged into the environment through separate discharge lines must have facilities and measures to reduce temperature, treat with chlorine or other disinfectant chemicals to kill microorganisms (if used) to ensure compliance with environmental technical standards as prescribed.
- Changing the Roadmap to Adopt Best Available Techniques
Schedules Applying for Investment project owners:
 - Before January 1, 2030, for investment projects classified as Level I under Appendix II issued with Decree 05/2025;

- Before January 1, 2031, for investment projects classified as Level II under Appendix II issued with Decree 05/2025;
- Before January 1, 2032, for investment projects classified as Level III under Appendix II issued with Decree 05/2025.

Schedules Applying for Facility owners:

- Before January 1, 2031, for facilities classified as Level I under Appendix II issued with Decree 05/2025;
- Before January 1, 2032, for facilities classified as Level II under Appendix II issued with Decree 05/2025;
- Before January 1, 2033, for facilities classified as Level III under Appendix II issued with Decree 05/2025.

10. General Provisions on Management of Wastes

- Additional requirements for wastewater treatment systems targeting this division of 2 objectives⁵:
 - For production, business and service establishments in the list of production, business, and service types that are at risk of causing environmental pollution as prescribed in Appendix II issued with Decree 05/2025 with a discharge flow rate of 50 m³/day or more must have an independent electricity meter, an output flow meter, and a treatment operation log (recording in full the following contents: Output flow rate, characteristic parameters of input and output wastewater (if any); amount of electricity consumed; type and amount of chemicals used. The operation log must be written in Vietnamese and kept for at least 02 years).
 - Other facilities that generate wastewater discharged into the environment must have an output flow meter; it is encouraged to implement measures to control the operation of the wastewater treatment system.
- Revise the definition of the Investor and the provider of household solid waste treatment

services in more detail which refers to the owner of the technology or the owner of the technological production line purchased or transferred from technology manufacturers or from entities authorized to transfer technology to the recipient⁶.

- For the installation of tracking devices on vehicles transporting hazardous waste, organizations and individuals granted environmental permits for hazardous waste treatment services are only required to provide accounts to the Ministry of Natural Resources and Environment upon request, rather than mandatorily as stipulated under the previous regulations⁷.
- Organizations and individuals, who are allowed to transport hazardous waste, hire vehicles or use public transport, such as railways, inland waterways, or maritime transport, to transport hazardous waste must report this activity to the licensing authority in their periodic environmental protection reports as required by regulations, instead of submitting a written report to the licensing authority before implementation, as stipulated under the previous regulations⁸.
- Supplementary provisions for specific cases in wastewater management⁹:
 - i. For investment projects and establishments classified under groups I, II, and III as stipulated in Appendices III, IV, and V attached to Decree 05/2025, it is mandatory to prepare an application dossier for an environmental permit in accordance with Article 39 of the Law on Environmental Protection when falling into one of the following cases:
 - Only domestic wastewater is generated and discharged into the environment, requiring treatment with a total volume of 20 m³/day or more;
 - Industrial wastewater is generated and discharged into the environment, requiring treatment for establishments or projects categorized as having a risk of causing environmental pollution as specified in Appendix II of this Decree. For livestock farming and slaughtering of livestock and

⁵ Clause 24 Article 1 Decree 05/2025

⁶ Clause 26 Article 1 Decree 05/2025

⁷ Clause 29 Article 1 Decree 05/2025

⁸ Clause 29 Article 1 Decree 05/2025

⁹ Point d Clause 31 Article 1 Decree 05/2025

poultry, the provisions in point c of this clause shall apply;

- Industrial wastewater is generated and discharged into the environment, requiring treatment with a total volume of 10 m³/day or more;
 - Emissions are generated and discharged into the environment, requiring treatment with a total volume of 1,000 m³/hour or more when entering official operation.
- ii. The project owner or establishment reusing wastewater for irrigation purposes as specified in clause 3 Article 74 Decree 08/2022 must have a plan detailing the location, area, number of plants, time, frequency, and clearly state this in the decision approving the environmental impact assessment report, environmental permit, environmental registration, or submit a written report to the provincial environmental protection authority before implementation.

11. Responsibilities of Producers and Importers for Recycling and Treating Products and Packaging have changed as below:

a. Subjects Recycling Responsibilities

In addition to specifying the subjects listed in Column 3 of Appendix XXII issued with Decree 88/2022/NĐ-CP, Decree 05/2025/NĐ-CP provides detailed regulations concerning producers and importers. Accordingly, these are organizations and individuals responsible for the quality and labeling of products and goods in Vietnam, as stipulated by the law on product and goods quality.¹⁰

b. Implementation Roadmap

Producers and importers are mandated to recycle the products and packaging they manufacture or import according to the following schedule¹¹:

- Packaging and products such as batteries, accumulators, lubricating oils, and tires: Effective from January 1, 2024.
- Electrical and electronic products: Effective from January 1, 2025.
- Vehicles: Effective from January 1, 2027.

c. Mandatory recycling rate¹²

Adding the regulation that the Minister of Natural Resources and Environment is authorized to adjust and promulgate mandatory recycling rates for each type of product and packaging for subsequent three-year cycles.

In addition to the recycling of imported scrap materials, the recycling of packaging waste generated from industrial production processes and defective products discarded during manufacturing will not be counted towards the mandatory recycling rate for producers and importers.

Specific Conditions that Recycling units engaged by producers, importers, or authorized parties to recycle products and packaging must possess an environmental permit or a component environmental permit that includes provisions for recycling those specific products and packaging, in accordance with legal regulations.¹³

d. Recycling plans and reports¹⁴

Producers and importers must submit an annual recycling plan and a report on the previous year's recycling activities to MONRE by March 31. They are legally accountable for the accuracy of the submitted data.

Recycling entities and third-party organizers must report their recycling results to MONRE by March 31 each year.

e. Financial Contributions to the Vietnam Environmental Protection Fund

Producers and importers are required to make financial contributions to the Vietnam Environmental Protection Fund to support waste treatment activities.

According to Decree 05/2025/NĐ-CP, the process has been updated as follows:

- Producers and importers must self-declare and submit to the Ministry of Natural Resources and Environment by March 31 each year a declaration of the financial contribution amount for products and packaging produced or imported and released into the Vietnamese market in the previous year, using the form prescribed by the Minister of Natural Resources and Environment. Producers and

¹⁰ Point a Clause 33 Article 1 Decree 05/2025

¹¹ Point dd Clause 33 Article 1 Decree 05/2025

¹² Clause 34 Article 1 Decree 05/2025

¹³ Point a Clause 35 Article 1 Decree 05/2025

¹⁴ Clause 36 Article 1 Decree 05/2025

importers are responsible before the law for the accuracy of the information in the declaration.

- By April 20 each year, producers and importers must fully pay the declared financial contribution for recycling products and packaging into the Vietnam Environmental Protection Fund.

Compared to Decree 08/2022, Decree 05/2025 has eliminated the option to make payments in two installments, and the cases where discrepancies between declared and actual quantities of products and packaging produced and released into the market or imported.

f. Supplementary Regulation on Public Disclosure of Product and Packaging Information

Producers and importers are required to publicly disclose information about their products and packaging. They have the discretion to choose the method of disclosure, which may include labeling on the product, displaying information on their website, or other appropriate means.

12. Tax, Charge, and Fee Incentives are stipulated in more detail

a. Corporate Income Tax Incentives

Income generated by businesses from projects listed under the Categories of Environmental Protection Activities eligible for incentives (as per Clauses 1 and 2 of Appendix XXX) will qualify for corporate income tax incentives, as stipulated by tax laws.

b. Export Tax Incentives

Products derived from recycling or waste treatment activities included in the Categories of Environmental Protection Activities eligible for incentives (as specified in Clause 2, Point đ, Appendix XXX) are exempt from export tax. To qualify, products must meet the following criteria:

- Be manufactured through recycling or waste treatment under valid environmental permits or component permits issued by competent authorities, excluding products made from recycled materials originating from other entities.
- Comply with export product quality standards as mandated by law.
- Align with the business sector, operational objectives, and investment registration documents of the project.

- Use waste as raw material without including imported waste as input.

The exempted quantity is calculated based on actual recycled content, excluding additives, imported waste, or materials from external entities' recycling activities. Organizations must declare and provide evidence of eligibility using the template in Appendix XXXIa and are legally accountable for the accuracy of submitted information.

By March 31 of the following year, customs authorities must report on export tax exemptions granted, including exported quantities and types of recycled products, to the issuing environmental agency for management and compliance verification.

c. Import Tax Incentives

Specialized machinery, equipment, vehicles, tools, and materials used in waste treatment or environmental protection infrastructure are exempt from import tax, provided the following conditions are met:

- Items are designated for waste treatment or environmental protection projects approved under investment laws.
- Inclusion of the equipment in feasibility studies or equivalent documents for the investment project.
- Approval of environmental impact assessment reports or environmental permits by competent authorities.
- Exclusion from items producible domestically, as listed by the Ministry of Planning and Investment.

Organizations are accountable for accurately declaring imported items' compliance with these criteria and submitting proof using the template in Appendix XXXIb.

d. Other Tax, Fee, and Charge Incentives

Additional incentives are implemented in accordance with applicable laws on taxes, fees, and charges.

Disclaimer

This Newsletter contains only brief notes and includes legislation in force as of January 2025. The information herein is general and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one is entitled to rely on this information, and no one should act on such information without appropriate professional advice obtained after a thorough examination of the particular situation.

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