Establishing Wholesale And Retail Operations in Vietnam:

Navigating Trading Models And Licensing Pathways In 2026

Understanding the regulatory requirements, distribution models, and licensing pathways for establishing wholesale and retail operations in Vietnam.

Alitium

www.alitium.com

About Alitium

At Alitium, we specialise in simplifying the complexities of market entry and business operations across Asia. With a presence in three countries: Vietnam, Singapore, and Malaysia and four offices in the region, including two in Hanoi and Ho Chi Minh City, we provide a multi-market platform of support for international investors.

Within this regional network, Vietnam plays a central role in Alitium's operations. Our presence in Singapore and Malaysia supports regional investment structures and expansion strategies for clients. This combination of regional capability and deep local focus enables Alitium to effectively accompany businesses in their growth journey in Vietnam while connecting them to the broader Asian market.

Our core objective is to empower foreign investors with the clarity, confidence, and tools necessary to build and grow successful businesses in a dynamic and ever-evolving market. With a comprehensive portfolio of services including legal, corporate advisory, accounting, HR, compliance, and tax, we deliver practical and precise solutions tailored to each client's specific needs. Alitium's experienced team of professionals is committed to service excellence, combining deep local insight with a global perspective to help clients achieve lasting success.

Our core mission is to facilitate smooth market entry and sustainable operations for foreign investors. Our legal and licensing services cover company establishment, investment structuring, transactions, and commercial agreements ensuring businesses are set up on a strong foundation from the outset. In addition, Alitium provides specialised corporate advisory services, including market entry strategy, due diligence, project planning, valuation, and risk review equipping investors with comprehensive insights to make informed decisions.

Accounting, HR, and compliance are core strengths of Alitium. We provide ongoing support to ensure clients fully meet their statutory obligations, including bookkeeping, financial reporting, risk management, and payroll services all aimed at maintaining compliance and minimizing risk. Alitium's tax and tax advisory services are particularly distinguished, offering both technical and administrative support to manage tax risks and optimise tax obligations. This long-term strategic approach enables clients to navigate the complexities of Vietnam's tax system while maintaining compliance and maximising financial efficiency.

What differentiates Alitium is our commitment to understanding the specific needs of foreign investors. We recognise that the legal and operational environment in Asia can present challenges, and we therefore deliver clear, practical advice that balances commercial objectives with compliance requirements. This client-centric approach is built on a deep understanding of the region's legal, economic, and cultural landscape.

Alitium places particular emphasis on governance and compliance-key pillars of long-term success. We support clients in building robust governance frameworks to manage risk, ensure adherence to local regulations, and strengthen their market credibility. Through this approach, businesses not only meet legal requirements but also build lasting trust in Vietnam and across the broader Asian region.

Reach out to Alitium to discuss how we can further support your specific strategy and needs via Vietnam@alitium.com

Introduction

Vietnam's consumer market continues to expand at a strong pace. In the first half of 2026, total retail sales of goods and consumer service revenue reached approximately VND 3,889.5 trillion, up 12.9% year on year. Supported by steady economic growth, stronger domestic demand and the continued development of modern distribution channels, Vietnam is becoming an increasingly important market for international brands and distributors looking to establish or expand their operation in the region.

For foreign investors, however, entering the market involves more than setting up a company, securing premises and bringing products to customers. The way the business is structured – whether through wholesale, retail, or a combination of both – can directly affect the licences required, the regulatory steps involved and the time needed before sales can begin. The products being sold and the channels used to reach customers may also trigger additional requirements.

This is particularly relevant in 2026, as Vietnam continues to reform its foreign investment and trading licensing framework. Resolution No. 19/2026/NQ-CP **("Resolution 19")** has temporarily simplified a number of licensing conditions and procedures and is scheduled to remain in effect until 28 February 2027, unless superseded earlier by new regulations. While these measures are intended to ease market entry, the applicable licensing pathway still depends heavily on the investor's proposed business model.

Further structural reforms are also under consideration. A draft amendment to the Investment Law proposes removing foreign-invested goods trading and directly related activities from the general list of conditional business lines. In parallel, the Ministry of Industry and Trade is developing a new decree to replace Decree No. 09/2018/ND-CP, the principal regulation currently governing goods trading and directly related activities by FIEs, including the Trading Licence and Retail Outlet Establishment Licence regimes **("Decree 09")**. Given the transitional nature of these reforms, investors should expect the regulatory framework to continue evolving.

This guide provides a general overview of the principal legal and licensing considerations for foreign-invested enterprises **("FIEs")** carrying out wholesale and retail activities in Vietnam. It is intended for general information only and does not constitute legal advice. The applicable requirements may vary depending on the nature of the products, the proposed trading model, the sales channels used and the relevant licensing practice. Specific legal advice should therefore be obtained before implementing any particular investment or market-entry structure.

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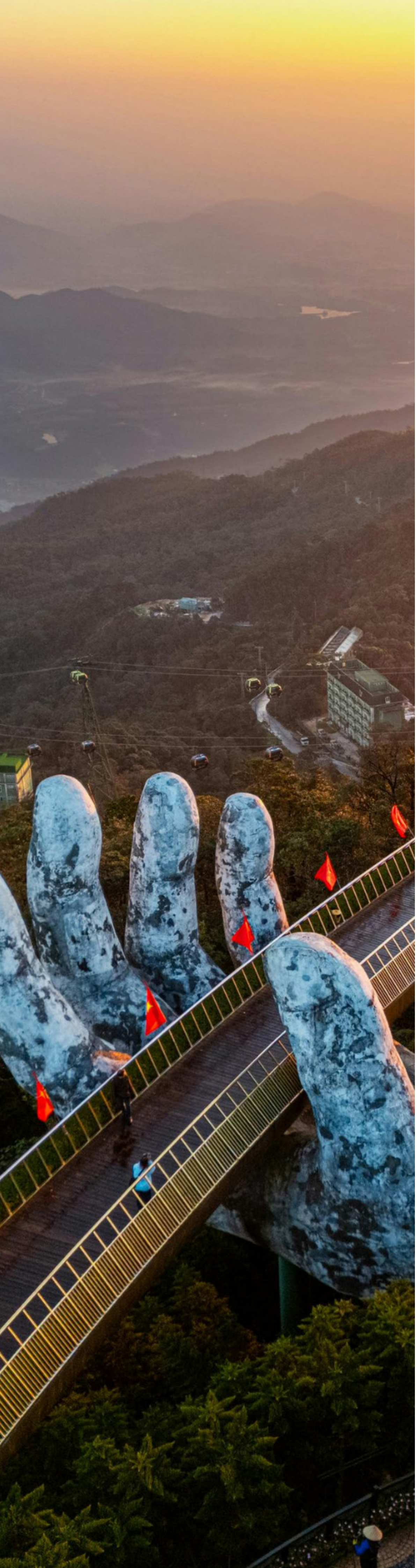

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ESTABLISHING WHOLESALE AND RETAIL OPERATIONS

The following steps outline the key regulatory and licensing requirements for establishing wholesale and retail operations in Vietnam.

1. Align the Vietnam Entity with the Trading Model

Ensure the Vietnam entity has the appropriate registered business scope for the proposed trading activities.

2. Obtain the Required Trading Licence

Identify whether a Trading Licence is required and, where applicable, obtain it from the competent DOIT before commencing the relevant trading activities.

3. Put the Distribution Channels in Place

Identify and complete the licensing, registration or notification requirements applicable to each distribution channel, such as physical retail stores or online sales channels, before commencing sales through that channel.

4. Clear the Products for Market

Identify and complete any product-specific approvals and compliance procedures applicable to the products before they are commercially sold.

ALITIUM PERSPECTIVE

Foreign investors should align their business structure, distribution channels and product requirements from the outset. A well-planned approach helps minimise compliance risks, streamline licensing procedures and facilitate a smoother market entry.

“Wholesale, Retail or Both? Understanding the Regulatory Framework”

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Wholesale, Retail or Both? Understanding the Regulatory Framework

For foreign-invested enterprises, one of the first questions when planning a trading business in Vietnam is whether the proposed activity will be treated as wholesale or retail. This distinction is more than a matter of terminology. It can affect the business activities that need to be registered, whether additional licences are required and, ultimately, how quickly the business can move from incorporation to actual operations.

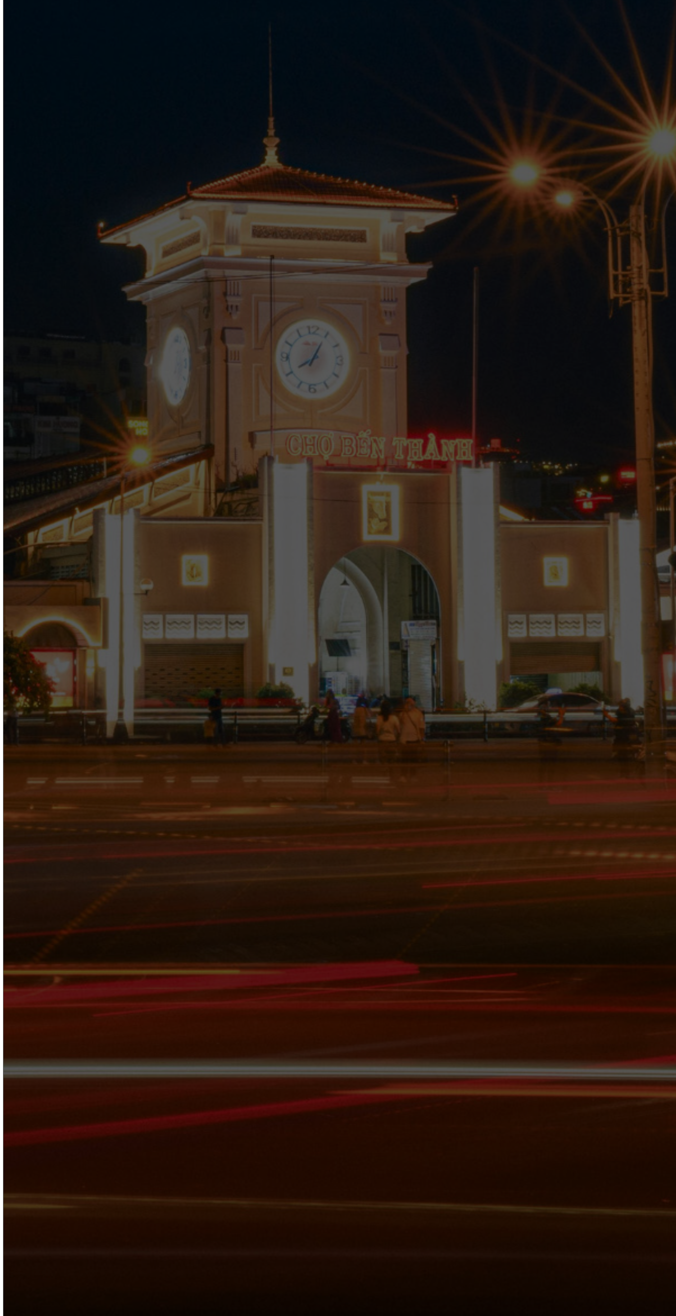
Retail:
Retail generally involves the sale of goods to end-users for consumption rather than for onward resale. In practice, retail activities commonly take place through physical stores, supermarkets and online sales channels. Although individual consumers are the most obvious retail customers, an organisation may also be treated as a retail customer where it purchases goods for its own use or consumption.

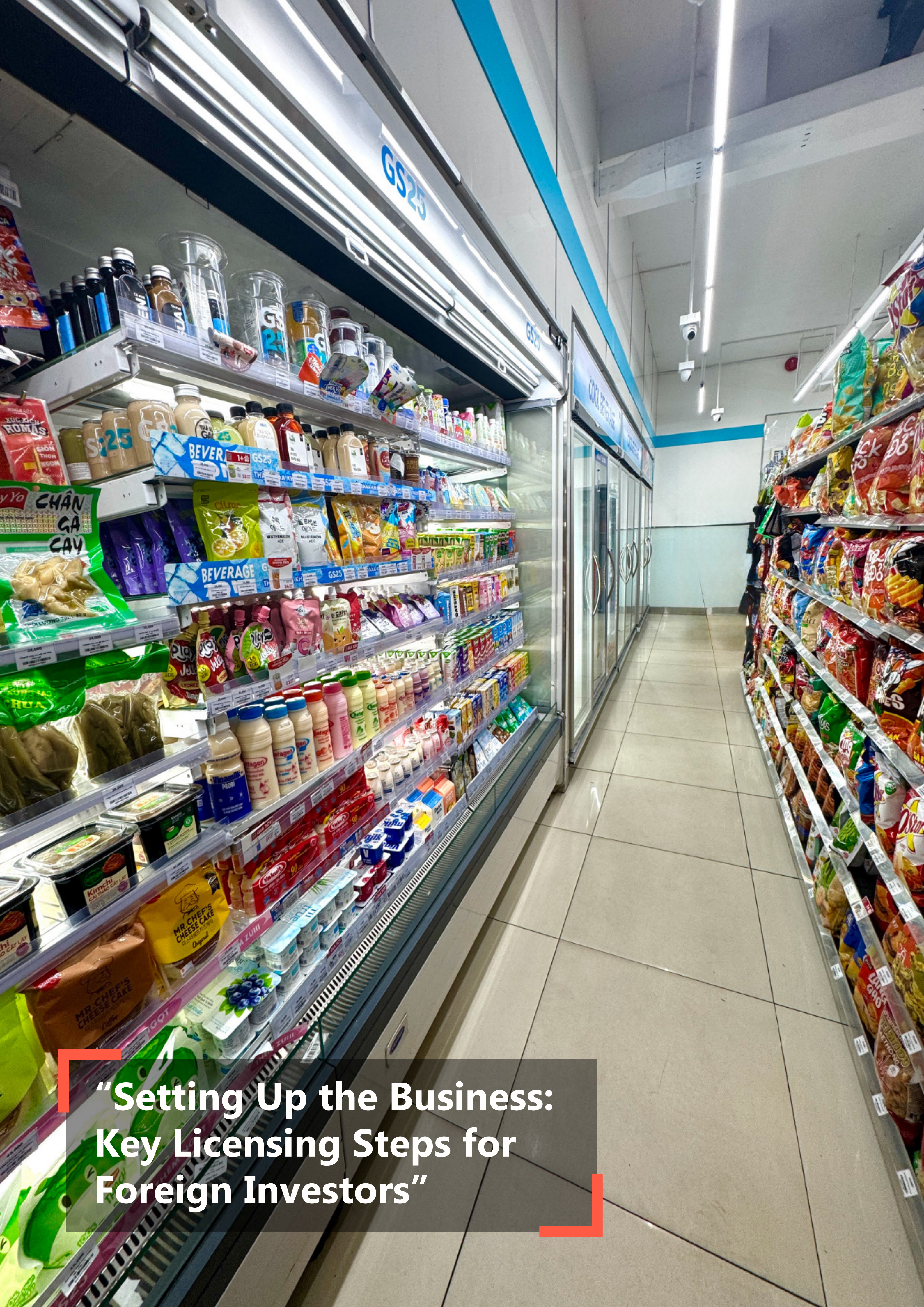
Wholesale:
Wholesale generally involves the purchase and resale of goods to distributors, retailers, manufacturers or other business customers for onward resale or for use in their business or production activities. These transactions are typically conducted between businesses and often involve larger volumes of goods.

At first glance, the distinction between wholesale and retail may appear relatively straightforward. However, practical cases have shown that there are several extraordinary circumstances under which the FDI is confused in identifying its own business, as the classification is not determined solely by whether the purchaser is an individual or a company, nor by the volume of goods sold. An important factor is the purpose for which the purchaser acquires and uses the goods.

For example, where raw materials are supplied to a manufacturer for use in producing goods for onward sale, the transaction may be treated as wholesale. By contrast, where goods are supplied to a company for its own use or for consumption by its employees, the transaction may be treated as retail. The reverse can also be true: a sale to an individual may still fall within a wholesale-type transaction if the goods are acquired for use in a business or production activity rather than for personal consumption.

For this reason, foreign investors should assess each proposed sales channel by reference to the substance of the transaction and the intended use of the goods, rather than relying only on whether the customer is a business or an individual.





"Setting Up the Business: Key Licensing Steps for Foreign Investors"

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Setting Up the Business: Key Licensing Steps for Foreign Investors

Once the proposed trading model has been identified, the next step is to translate that model into the appropriate corporate registrations and licences. In practice, the setup process will depend not only on whether the FIE conducts wholesale, retail or both, but also on the products involved and the way those products are brought to market.

1. Establishing the FIE and Registering the Appropriate Trading Activities

As a starting point, a foreign investor wishing to carry out wholesale and/or retail activities directly in Vietnam will generally need to do so through a Vietnam-incorporated entity with the relevant trading activities properly registered. Subject to the applicable market-access conditions, this entity may generally be established as a 100% foreign-owned enterprise. Depending on the investor's existing presence in Vietnam, this may involve either establishing a new FIE or adding the relevant wholesale and/or retail activities to an existing FIE.

The activities to be registered will depend primarily on two factors: whether the proposed business involves wholesale, retail or both, and the types of goods to be traded. Under the Vietnam Standard Industrial Classification (VSIC):

Type of Activity	Relevant Classification
Retail activities	generally fall within Section G, Division 47 (Retail Trade)
Wholesale activities	generally fall within Section G, Division 46 (Wholesale Trade).

Within these divisions, the relevant sub-codes and corresponding business descriptions should be selected and registered by reference to the specific categories of goods the FIE intends to traded.

In practice, many foreign investors adopt a hybrid wholesale-and-retail model. For example, FIE may sell products in bulk to local distributors, supermarkets or dealers, while at the same time operating its own flagship stores or selling directly to consumers through online channels. Where both wholesale and retail activities form part of the proposed business model, both should be appropriately reflected in the FIE's registered business scope.

It is therefore important to align the registered activities with the intended operating model from the outset. If the business scope does not adequately cover the proposed activities, the FIE may need to amend its enterprise and/or investment registrations before it can proceed with subsequent licensing steps. Commencing activities before the relevant registrations or licences are in place may also expose the company to regulatory and administrative compliance risks. Apart from creating additional costs and procedures, these issues can delay the point at which the business is able to commence operations.

For a general overview of the company establishment process in Vietnam, please see our publication, Establishing a Business in Vietnam: A Practical Guide for Foreign Investors 2026.

2. Trading Licence from Department of Industry and Trade (DOIT)

The licensing requirements differ significantly between wholesale and retail activities:

Retail:
An FIE wishing to carry out retail sales in Vietnam must obtain a Trading Licence from the DOIT before commencing retail sales. This requirement applies regardless of the type of goods sold or the sales channel used, although certain regulated goods may be subject to additional conditions.

Wholesale:
A Trading Licence is only required for wholesale trade of lubricants. For ordinary goods, such as clothing, household products and other commonly traded products, an FIE may generally commence wholesale trade/operations once the company has been duly established and the relevant wholesale business activities have been registered, without having to obtain a separate Trading Licence.

Where a Trading Licence is required, the conditions generally include:

- **No overdue tax liabilities**, where the FIE has been established in Vietnam for at least one year; and
- **Market-access requirements,** which will depend on the investor's nationality and applicable treaty commitments. Where the foreign investor is covered by an international treaty under which Vietnam has made the relevant market-access commitments, the applicable treaty conditions must be satisfied. Where no such commitment applies, the assessment may also take into account compliance with the relevant sector-specific regulations and the level of competition with domestic enterprises operating in the same sector.

2026 update: As part of the Government's recent efforts to simplify administrative procedures and reduce business conditions, Resolution 19, effective from 29 April 2026, removed the previous requirement for an applicant to demonstrate a satisfactory financial plan when applying for a Trading Licence. However, in practice, particularly during the transition to the new framework, the authorities may still review the overall feasibility of the proposed business and the supporting information provided by the investor. Accordingly, although financial capacity is no longer a standalone licensing condition, investors should still be prepared to demonstrate that the proposed business is commercially and operationally viable.

Regarding the validity of the Trading Licence, no specific fixed term is prescribed for ordinary cases falling within Vietnam's applicable international treaty commitments. By contrast, Trading Licences issued in certain non-treaty or uncommitted-market cases are generally valid for a period of five years.

Reform outlook. Further changes to the regulatory framework are currently under consideration. A draft amendment to the Investment Law proposes removing foreign-invested trading activities from Vietnam's general list of conditional business lines. Importantly, this would not, by itself, remove the separate market-access conditions applicable to foreign investors. In parallel, a draft decree replacing Decree 09 is being developed to further revise the Trading Licence and retail outlet licensing framework. Until these proposals are formally adopted, the existing regime described above continues to apply.

“3. Regulatory Requirements for Distribution Channels”

REGULATORY REQUIREMENTS FOR **DISTRIBUTION CHANNELS**

While wholesale transactions are typically conducted directly between businesses, for example through direct enquiries, orders or other communications using publicly available business contact details, these sales methods generally do not in themselves give rise to additional channel-specific licensing requirements. Retail sales, by contrast, can be carried out through a wider range of channels to reach end consumers, including physical stores, e-commerce platforms (e.g. websites, applications), as well as other direct-sales methods such as telesales.

Depending on the channel adopted, additional licensing, notification or registration requirements may apply. For the purposes of this article, we focus on two of the most common retail channels that typically involve additional regulatory procedures: (i) physical retail stores and (ii) e-commerce platforms.

1. Physical Retail Stores:

Physical stores remain one of the most common retail channels and may also serve as flagship locations for displaying products and building brand presence.

Each physical store established by an FIE must obtain a separate Retail Outlet Establishment Licence before commencing operations. The applicable licensing requirements will depend on the type of outlet, as summarised below:

Type of retail outlet	Key requirements
▪ **First retail outlet**; or ▪ **Subsequent retail outlets**, including: (i) Outlets of less than 500 m² that are located in a shopping mall and are not classified as a convenience store or mini-supermarket; or (ii) Outlets established by investors that benefit from an Economic Needs Test exemption under an applicable international treaty with Vietnam, such as the CPTPP, EVFTA or UKVFTA.	1. The FIE has no overdue tax liabilities where it has been established in Vietnam for at least one year; **and** 2. The proposed retail outlet location is consistent with the relevant planning requirements in the geographic market.
Other subsequent retail outlets (other than the first outlet and the ENT-exempt subsequent outlets described above)	In addition to satisfying the basic licensing conditions applicable to retail outlets described above, the FIE must also meet the following conditions: 1. The scale and characteristics of the relevant geographic market affected by the proposed outlet; 2. The potential impact of the outlet on traffic, environmental hygiene and fire safety in the relevant area; and 3. The expected contribution of the outlet to the socio-economic development of the relevant geographic market, including the development of the local retail sector and improvements to the local living environment and conditions.

2026 update. Resolution 19 has simplified the retail outlet licensing regime. In particular, the previous financial-plan requirement has been removed, while several ENT criteria, including the number of existing retail outlets, job creation and contribution to the State budget, have also been eliminated. The assessment nevertheless continues to consider the location and the potential impact of the proposed outlet on the relevant local market.

Regarding validity, the Retail Outlet Establishment Licence generally follows the remaining term of the Investment Registration Certificate for the relevant retail outlet project, where one has been issued. If there is no separate IRC, the licence term will generally correspond to the period stated in the documentation for the retail premises.

2. E-commerce Websites and Applications

E-commerce has become an increasingly important retail channel in Vietnam. In 2025, the country's e-commerce market reached approximately USD 31 billion, representing around 10% of total retail sales of goods and consumer services.

For an FIE selling online, the applicable requirements depend primarily on whether it operates its own e-commerce website or application or sells through a third-party platform:

Own website or application

Where the FIE establishes and operates its own website or application with an online ordering function to sell products directly to customers, the platform must generally complete the applicable E-Commerce Notification Procedure before commencing operations. Under the framework effective from 1 July 2026, the notification is processed through the national public service system and confirmed by the competent provincial authority.

In addition, the FIE must also disclose the information required by law and comply with applicable requirements on consumer protection, personal data, product information and electronic transactions.

Third-party e-commerce platform

Where the FIE sells through an established marketplace or application operated by another party, the platform-level registration and operational requirements generally rest with the platform operator. The FIE does not need to carry out those procedures merely because it opens a seller account, but it remains responsible for its own obligations as a seller, including the accuracy of product information, product compliance, consumer protection, invoicing, tax and personal data requirements.

“4. Product-based Approvals and Restrictions”

4. Product-based Approvals and Restrictions

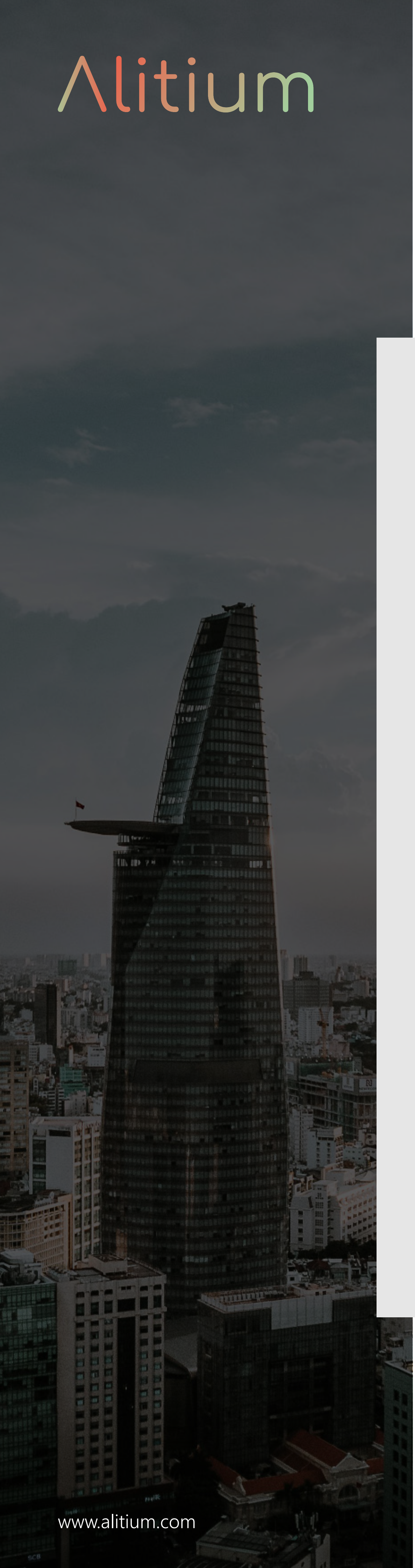
Completing the corporate and trading licensing steps does not necessarily mean that every product can immediately be imported and sold in Vietnam. Depending on the product category, additional product-specific declarations, registrations, conformity procedures or sector approvals may be required before the goods can be commercially sold.

Ordinary consumer goods: Many general consumer products, such as clothing, footwear, furniture, stationery and ordinary household goods, do not generally fall within a product-specific pre-market approval regime merely because they are imported or sold in Vietnam. The FIE must nevertheless comply with applicable requirements on product quality, labelling, origin and customs procedures.

Regulated products: Certain product categories are subject to additional product-specific procedures before they can be placed on the Vietnamese market, with the applicable requirements depending on the nature of the product. For example, ordinary pre-packaged processed foods are generally subject to a self-declaration, while health supplements and certain specialised food products require registration of the product declaration; cosmetics must generally obtain a receipt number for the Cosmetic Product Notification Form before being placed on the market; and medical devices and pharmaceuticals are subject to more stringent regulatory regimes, including product classification, circulation registration or marketing authorisation requirements, as applicable.

Restricted or specially controlled products: Foreign investors should also consider whether the relevant goods are subject to restrictions on foreign-invested trading activities. Certain products fall outside Vietnam's ordinary market-access commitments for wholesale and retail trade or are subject to specific conditions, including certain tobacco products, books, newspapers and magazines, recorded media, pharmaceutical products, rice, sugar and certain petroleum products. This does not mean that all such products are absolutely prohibited from being distributed by an FIE. The applicable treatment varies by product: some may not be available to foreign investors under the ordinary trading regime, while others may be traded only if specific licensing conditions or sector-specific requirements are satisfied. The product classification should therefore be reviewed together with the FIE's proposed import, wholesale and retail activities.

Accordingly, foreign investors should identify the exact product classification and regulatory treatment at an early stage. Product-specific approvals can affect not only whether a product may be sold, but also the import process, the required business scope and the timing for commercial launch.



Strategic Considerations for Foreign Investors

Vietnam's trading market is becoming more accessible, but a lighter licensing environment does not necessarily mean a simpler market-entry exercise. Investors should consider the following when planning their entry:

- **Get the business model right before starting the licensing process.** The distinction between wholesale and retail, the products to be sold and the channels through which they will reach customers can each lead to different registration and licensing requirements. Mapping these elements at the outset can help avoid unnecessary amendments, duplicated procedures and delays before commercial launch.

- **Treat the regulatory requirements as one connected roadmap.** Corporate registration, the Trading Licence, retail outlet licensing, e-commerce procedures and product-specific approvals should not be assessed in isolation. The sequence can be important: an issue identified at the product, location or sales-channel level may affect the registrations required at an earlier stage. A coordinated legal review can therefore help investors structure the setup process around the actual operating model rather than addressing each licence only when it becomes necessary.

- **Use the current reform period strategically.** Vietnam is not only simplifying existing licensing requirements on a temporary basis, but is also considering more structural changes to the foreign-invested trading framework. A draft amendment to the Investment Law proposes removing foreign-invested trading activities from the general list of conditional business lines, while a separate draft decree is being developed to replace Decree 09 and reshape the licensing framework. These reforms have not yet been adopted and would not necessarily remove the separate market-access controls applicable to foreign investors. Investors should therefore consider not only whether they can proceed under the current framework, but also whether the timing of their market entry should take account of the forthcoming changes.

Given the number of regulatory layers involved and the ongoing transition of Vietnam's licensing framework, early legal input can be particularly valuable in identifying the most efficient market-entry route, sequencing the required approvals and anticipating changes that may affect the business after launch.

Contact

We hope this guide serves as a practical resource for foreign investors and businesses exploring opportunities in Vietnam's wholesale and retail market. Establishing wholesale and retail operations in Vietnam requires careful planning, from establishing the appropriate investment structure and business scope to obtaining the required licences and meeting product- and channel-specific requirements. A well-structured approach can help investors navigate regulatory requirements, manage compliance risks and enter the market more efficiently.

With extensive experience advising foreign investors in Vietnam, Alitium supports businesses with market entry, investment structuring, trading licensing, and ongoing legal, tax and compliance matters. Contact our team to explore how we can support your expansion into Vietnam.

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Phuong is a Vietnamese-qualified lawyer, who spent 12 years leading the licensing and legal services division at an international market entry specialist, before founding Alitium.

Phuong has extensive experience supporting international organisations, including representing numerous foreign governments, listed companies from dozens of markets, and multi-national organisations from across the globe.

She has broad exposure to all facets of market entry, governance and compliance for foreign companies, and understands the needs to develop compliant yet commercially practical solutions for client needs.

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With over 20 years of experience in accounting, tax, and business advisory, Ms. Phung has supported numerous businesses in effectively addressing complex issues. Holding CPA and CA certifications, along with dual Bachelor's degrees in Accounting & Auditing and Enterprise Law, she seamlessly combines financial expertise with legal insight in her advisory solutions.

Her approach focuses on listening carefully to and understanding each client's unique needs, from which she develops tailored solutions that ensure legal compliance and optimise efficiency.

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Matthew has more than 30 years professional services experience, with 20 of this in Vietnam. He previously established and led a services firm in Vietnam supporting foreign investors that grew to 150 staff, and which was rolled into a regional group.

Matthew is an Australian Chartered Accountant, and is renowned for his understanding and application of Vietnamese structures, compliance and strategies for foreign investors. His practical advice and experience in market brings value to any client wishing to operate in Vietnam.

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