

Improving the Regulatory Policy for Financial Technology (Fintech) in Vietnam

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ABSTRACT: *Maintaining financial stability without sacrificing innovation is a concern that countries have paid particular attention to in recent years, especially during the boom of Financial Technology (Fintech). This paper first discusses how the government of Singapore and Vietnam currently govern the Fintech ecosystem. The author then proposes a number of solutions to improve Fintech regulatory policy to fit the Vietnamese context, with the aim of delivering a regulatory approach that supports innovation while maintaining consumer protection and financial stability that permits innovation while protecting users and preserving financial stability.*

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I. INTRODUCTION

Financial Technology (Fintech) has become a central focus of national investment in recent years, increasingly driven by the rapid uptake of digital payment, mobile banking, and AI-enabled financial services, which are widely regarded as engines of financial inclusion and inclusive economic growth – particularly in emerging markets where traditional banking access remains limited (Telukdarie and Mungar, 2023; Del Sarto and Ozili, 2025). Nevertheless, Fintech adoption remains uneven across countries: even where opportunities to expand the digital economy are substantial, uptake is shaped by determinants such as user trust, perceived financial cost, ease to use, and satisfaction, as well as the maturity of the regulatory environment (Al-Okaily, 2025). In practice, Vietnam has continued to face relatively slow and uneven growth in Fintech adoption, in which the coherence of its governance and legal framework has been a decisive constraint.

In recent years, the regional Fintech ecosystem has expanded continuously. As of 2025-2026, the relative ranking among countries remains largely unchanged in terms of overall trend, yet both the number of firms and the size of the market have risen to levels considerably higher than at the time of the original survey. Cross-country counts vary by methodology, but Singapore is now widely cited as hosting more than 1,000 Fintech firms – some trackers report approximately 1,580 (UOB, PwC and SFA, 2025; InnReg, 2024). While Vietnam is generally placed at more than 200 active Fintech companies across the payments, lending and investments segments (TMA Solutions, 2026), with the broader startup base estimated to have grown from roughly 1,600 at the onset of the pandemic to over 3,000 (InnReg, 2024). Vietnam's fintech market value was estimated at approximately USD 33.9 billion in 2023 and is projected to reach roughly USD 63-73 billion by 2028-2029 (InnReg, 2024; Jipong, 2025). The State Bank of Vietnam reports that more than 87% of adults now hold bank accounts, and the government targets having 70% of banking transactions conducted digitally by 2030 (SBV 2025). The persistent constraint is therefore no longer the absence of a Fintech ecosystem, but rather the maturity and coherence of its governance framework.

The Fintech ecosystem comprises five stakeholders: governments, Fintech startups, technology developers, financial customers, and traditional financial institutions (Lee and Shin, 2018). Among these, the government can exert either a positive or negative influence on the development of Fintech in a given country. In Vietnam, the government has progressively moved from orientation-setting toward binding rule-making. Decree No.94/2025/ND-CP established the country's first regulatory sandbox for banking-sector Fintech (effective 1st July, 2025), while a broader data-governance architecture has taken shape through the Law on Data (Law No 60/2025/QH15, effective 1st July, 2025), and the Law on Personal Data Protection (Law No 91/2025/QH15, effective 1st January, 2026, operationalized by Decree No.356/2025/ND-CP), which impose enhanced obligations specifically on the banking, finance, and credit-information sectors as well as AI, big data, and blockchain applications. The central challenge thus lies in calibrating the balance between preserving space for technological innovation and administering an increasingly dense set of overlapping regimes – coordinating Fintech-specific, data protection, and cybersecurity rules coherently while ensuring that supervision keeps pace with new technologies.

This paper examines how the governments of Singapore and Vietnam currently govern their Fintech ecosystems, drawing on Singapore's regulatory approach as a regional benchmark. The author then offers

assessments and solutions for the Vietnamese government to refine its policies, regulations, and infrastructure in order to develop Fintech more comprehensively and coherently.

II. CURRENT STATUS OF FINTECH REGULATORY GOVERNANCE IN SINGAPORE AND VIETNAM

SUPERVISORY AUTHORITY

In Singapore, the Monetary Authority of Singapore (MAS) functions as a single, integrated regulator and central bank, exercising oversight across banks, insurers, capital-market intermediaries, financial advisers, and the exchange, with a dedicated Fintech and Innovation Group (FTIG) responsible for rule-making and technology-risk strategy (Global Legal Insights, 2025). This architecture was further reinforced in October 2024 with the launch of the Global Finance & Technology Network (GFTN), tasked with advancing industry and policy dialogue on payments, asset tokenization, AI, and quantum computing and strengthening Singapore's standing as a global Fintech hub (Global Legal Insights, 2025; MAS, 2025). Vietnam, by contrast, operates a split supervisory model: the State Bank of Vietnam (SBV) oversees financial and banking matters, while the Ministry of Public Security has become the lead authority for data privacy and cybersecurity—a role formalized under the Law on Personal Data Protection (Law No. 91/2025/QH15) and its implementing Decree No. 356/2025/ND-CP (National Assembly of Vietnam 2025b; Government of Vietnam 2025b). Within this structure, Decree No. 94/2025/ND-CP designates the SBV as the certifying and supervising authority for the banking-sector regulatory sandbox, with the Ministry of Public Security holding parallel enforcement powers (Government of Vietnam 2025a; Jipyong, 2025). While this clarifies institutional responsibilities for sandboxed activities, the resulting framework remains more fragmented than the unified, single-regulator mandate that characterizes the Monetary Authority of Singapore (MAS), placing a premium on effective inter-agency coordination.

STAFF DEVELOPMENT

In Singapore, the Monetary Authority of Singapore (MAS) pursues a capability-based approach, delivering training calibrated to its officers' needs—most visibly through the MAS Academy—so that supervisory expertise keeps pace with fast-moving technologies, and complementing this with sustained engagement across industry and academia (Global Legal Insights, 2025). Vietnam's position reflects an economy-wide shortage of advanced technology talent rather than a mature regulator-training pipeline. According to TopDev's Vietnam IT & Tech Talent Landscape Report 2024–2025, the IT sector was projected to need roughly 700,000 professionals by the end of 2025 against an actual supply of about 530,000—an annual gap of some 150,000–200,000 skilled workers—with only around 30% of graduates judged to hold the practical skills employers require (TopDev, 2024). Structural indicators compound this: just 28.3% of the labor force held formal training certification in 2024 (General Statistics Office, 2024), and the country's mid-tier English proficiency—ranked 63rd globally in the 2024 EF English Proficiency Index (EF Education First, 2024)—limits the absorption of international technical and regulatory know-how. National policy has begun to respond, with explicit prioritization of AI, semiconductor, and digital-finance talent and government targets to expand specialized STEM and AI training (Ministry of Science and Technology, 2025). Even so, capacity-building is presently concentrated on the broad developer pipeline rather than on dedicated Fintech-supervision skills within the regulatory authorities, leaving institutional expertise the area where Vietnam most visibly trails the Singaporean benchmark.

DOMESTIC COORDINATION

Singapore's domestic coordination is dense and institutionalized: MAS operates a long-standing Regulatory Sandbox, launches joint projects with both financial and non-financial firms, and convenes the wider ecosystem through flagship gatherings such as the Singapore Fintech Festival, which marked its tenth edition in 2025 (Fintech News Singapore, 2025). Vietnam's coordination architecture, while expanding, is more recent and still consolidating. The National Innovation Center (NIC) serves as the principal coordinator of the startup and innovation ecosystem and, following Decree No. 97/2025/ND-CP, benefits from enhanced incentives spanning credit, land, labor, and access to ODA financing (Government of Vietnam 2025c). Sector-specific convening has likewise emerged: the Vietnam Fintech Summit, launched in 2024 and co-hosted by the Ministry of Science and Technology together with Techfest Vietnam, the NIC, and the Fintech Vietnam community, has become a focal forum—its 2025 edition centering on the country's new digital-asset and banking-sector regulatory sandbox and drawing participation from the State Bank of Vietnam and the State Securities Commission (Vietnam Fintech Summit, 2025). These platforms mark a clear advance, yet they remain comparatively young and dispersed across several organizing bodies; crucially, the empirical data generated through the Decree 94/2025 sandbox is explicitly intended to feed back into the refinement of the broader regulatory framework over time (Government of Vietnam 2025a).

INTERNATIONAL COORDINATION

Singapore is among the most internationally engaged financial authorities, leading frontier initiatives in tokenization and wholesale settlement: Project Guardian now convenes more than 40 institutions across multiple jurisdictions and has welcomed overseas regulators such as Japan's Financial Services Agency; Project Nexus works to interlink national real-time payment systems; and BLOOM (launched October 2025) advances tokenized deposits and regulated stablecoins for wholesale settlement—complemented by bilateral Fintech agreements and participation in the GFIN coordination group (MAS 2025; Fintech News Singapore 2025). Vietnam's international engagement is also growing, though concentrated at the retail-payments layer rather than the institutional frontier. Through the National Payment Corporation of Vietnam (NAPAS) and the VIETQR Global standard, Vietnam has established two-way cross-border QR payment connectivity with Thailand, Laos, and Cambodia, and launched a China linkage in December 2025—following an October 2024 NAPAS–UnionPay memorandum—with the State Bank of Vietnam signaling further extensions to South Korea, Singapore, India, and Taiwan (NAPAS 2025; State Bank of Vietnam 2025). Beyond payments, however, cooperation remains largely bilateral and knowledge-oriented—anchored by partnerships with Japan, Korea, and Singapore—without yet a comparable portfolio of flagship multilateral pilots in tokenization or wholesale digital settlement.

UNDERLYING REGULATION PRINCIPLE

Singapore adopts a technology-agnostic, outcomes-oriented posture in which regulatory clarity is treated as an enabler of, rather than a constraint on, responsible innovation. This philosophy is operationalized through purpose-built, risk-calibrated frameworks for emerging activities—the Digital Token Service Provider (DTSP) regime, the stablecoin framework introduced in August 2024, and the Singapore Payments Network (SPaN)—each of which extends supervision to new business models without resorting to blanket prohibition (Global Legal Insights, 2025; Fintech News Singapore, 2025). Vietnam, meanwhile, has been transitioning from management based on broad general principles toward a more risk- and activity-based approach. Decree 94/2025 operationalizes this shift for the three sandboxed solution types—credit scoring, open API data sharing, and P2P lending (Government of Vietnam 2025a)—while the Law on Data (Law No. 60/2025/QH15) and the Law on Personal Data Protection (Law No. 91/2025/QH15), together with implementing Decree No. 356/2025/ND-CP, impose enhanced, sector-specific obligations on banking, finance, AI, and blockchain (National Assembly of Vietnam 2025a, 2025b; Government of Vietnam 2025b). For Vietnam, the difficulty now lies in coherence rather than coverage: integrating Fintech-specific, data-protection, and cybersecurity regimes — and reconciling overlapping obligations such as the dual impact-assessment requirements under the Law on Data and the Law on Personal Data Protection.

III. DISCUSSION AND SOLUTION

DISCUSSION

The comparison across the five governance dimensions points to a single, consequential shift in Vietnam's Fintech landscape: Vietnam's central regulatory challenge no longer concerns the existence of rules but their coordination. Whereas earlier assessments characterised Vietnam's framework as embryonic, the period since 2024 has produced an enacted regulatory sandbox under Decree No. 94/2025/ND-CP alongside a comprehensive data-governance architecture comprising the Law on Data (Law No. 60/2025/QH15) and the Law on Personal Data Protection (Law No. 91/2025/QH15), the latter operationalised by Decree No. 356/2025/ND-CP (Government of Vietnam 2025a; National Assembly of Vietnam 2025a, 2025b). The salient policy problem is therefore no longer permissiveness versus prohibition, but coherence—reconciling Fintech-specific, data-protection, and cybersecurity regimes whose obligations partly overlap.

Read against the Singaporean benchmark, the most structural divergence lies in institutional architecture. Singapore concentrates rule-making, supervision, and technology-risk strategy within a single integrated authority, the Monetary Authority of Singapore, reinforced in 2024 by the Global Finance & Technology Network (Global Legal Insights 2025; MAS 2025). Vietnam, by contrast, distributes authority between the State Bank of Vietnam, which certifies and supervises sandboxed activities, and the Ministry of Public Security, which leads on data privacy and cybersecurity (Government of Vietnam 2025a, 2025b). This split is not inherently deficient, but it places a high premium on inter-agency coordination—precisely the capability that a unified mandate renders implicit. The practical risk is regulatory friction at the seams: a single Fintech product may simultaneously engage sandbox certification, credit-information rules, personal-data obligations, and cybersecurity requirements administered by different bodies.

The coordination and international dimensions reveal a more nuanced, two-speed picture. Domestically, Vietnam's convening infrastructure—the National Innovation Center, now incentivized under Decree No. 97/2025/ND-CP, and the nascent Vietnam Fintech Summit—signals genuine progress, but it remains young and dispersed across several organizing bodies relative to Singapore's institutionalised cadence (Government of Vietnam 2025c; Vietnam Fintech Summit 2025; Fintech News Singapore 2025). Internationally, Vietnam has

advanced rapidly at the retail-payments layer, establishing cross-border QR connectivity with Thailand, Laos, Cambodia, and China and signaling further linkages with regional partners (NAPAS, 2025; State Bank of Vietnam 2025). What it has not yet developed is a comparable presence at the institutional frontier—tokenization, wholesale settlement, and multilateral regulatory pilots—where Singapore leads through Project Guardian, Project Nexus, and BLOOM (MAS 2025). The asymmetry is instructive: Vietnam's strengths are consumption- and tourism-driven, while Singapore's are infrastructure- and capital-markets-driven.

Taken together, these findings suggest that Singapore's relevance to Vietnam lies in a governing philosophy rather than in any single instrument: positioning regulatory certainty as a driver of innovation, not an impediment, responsible innovation, and extending supervision to new activities through risk-calibrated, purpose-built frameworks rather than blanket prohibition (Global Legal Insights, 2025). Vietnam's recent trajectory—Decree 94/2025's shift toward a risk- and activity-based posture—already moves in this direction. The decisive question for the next phase is therefore one of implementation and sequencing: whether Vietnam can convert a newly dense statutory base into supervision that is both coherent and adequately resourced. It is to these implementation priorities that the following section turns.

SOLUTIONS TO IMPROVE FINTECH REGULATORY GOVERNANCE IN VIETNAM

The analysis indicates that Vietnam's reform agenda has entered an implementation phase: the statutory base is now substantial, and the decisive task is to convert it into coherent supervision that is properly coordinated and resourced. Five priorities follow from the comparative findings.

First, institutionalise inter-agency coordination rather than pursue a single super-regulator. Because Vietnam's split model—the State Bank of Vietnam for banking-sector activity and the Ministry of Public Security for data and cybersecurity—is now embedded in primary legislation (Government of Vietnam 2025a, 2025b; National Assembly of Vietnam 2025b), the realistic objective is not structural consolidation but a formal coordination mechanism. A standing inter-agency Fintech council, with a clear lead convenor, shared protocols for sandbox certification that simultaneously screen for data-protection and cybersecurity obligations, and a "single-window" entry point for applicants, would reduce the regulatory friction that arises where one Fintech product engages multiple overlapping regimes. This adapts Singapore's coordination outcome—achieved there through MAS's unified mandate (Global Legal Insights, 2025)—to Vietnam's distributed structure.

Second, build dedicated supervisory capacity, not only a broad developer pipeline. Given the economy-wide talent shortfall and the comparatively thin pool of job-ready, English-proficient specialists (TopDev 2024; General Statistics Office 2024; EF Education First 2024), Vietnam should complement its national AI- and semiconductor-talent programmers (Ministry of Science and Technology, 2025) with a focused capability-building track for regulators themselves. A Vietnamese analogue to the MAS Academy—delivering continuous, demand-based training to SBV and Ministry of Public Security staff, supplemented by externally hired domain experts and structured university partnerships in Fintech, data science, and supervisory technology (SupTech)—would help ensure that enforcement keeps pace with the newly dense rulebook.

Third, consolidate domestic coordination into a sustained, specialized cadence. Vietnam's convening infrastructure—the National Innovation Center, now incentivized under Decree No. 97/2025/ND-CP, and the nascent Vietnam Fintech Summit—represents genuine progress but remains young and dispersed (Government of Vietnam 2025c; Vietnam Fintech Summit, 2025). The government should designate a recurring, in-depth Fintech forum that connects regulators, banks, Fintech firms, and universities on a regular basis, and pair it with government-funded collaborative research, so that engagement becomes institutionalised rather than episodic. Crucially, the empirical data generated through the Decree 94/2025 sandbox should be systematically fed back into the refinement of the broader framework, as the decree itself envisages (Government of Vietnam 2025a).

Fourth, extend international engagement from retail payments toward the institutional frontier. Vietnam has advanced quickly at the retail-payments layer through cross-border QR connectivity with Thailand, Laos, Cambodia, and China (NAPAS 2025; State Bank of Vietnam 2025), but has limited presence in tokenization, wholesale settlement, and multilateral regulatory pilots. Vietnam should deepen participation in regional and global Fintech bodies—such as the Global Financial Innovation Network (GFIN)—and pursue bilateral regulatory cooperation with advanced jurisdictions, leveraging its existing partnerships with Japan, Korea, and Singapore. Observer or participant roles in frontier initiatives of the kind MAS leads (MAS 2025) would allow Vietnam to import standards and supervisory know-how ahead of domestic rollout.

Fifth, prioritize coherence as the organizing principle of the next regulatory phase. Rather than adding further standalone rules, Vietnam should focus on harmonizing the Fintech-specific, data-protection, and cybersecurity regimes—reconciling parallel obligations such as the impact-assessment requirements that arise under both the Law on Data and the Law on Personal Data Protection (National Assembly of Vietnam 2025a, 2025b; Government of Vietnam 2025b)—and on operating and gradually broadening the sandbox beyond its initial three solution types. Adopting Singapore's underlying philosophy—treating clear rules as a support for innovation rather than an obstacle to it, responsible innovation, and extending supervision through risk-calibrated,

purpose-built frameworks rather than blanket prohibition (Global Legal Insights 2025)—would give these coordination efforts a consistent guiding logic.

Collectively, these measures reframe the policy objective from building a Fintech framework to operating one coherently: These measures reframe the objective from building a Fintech framework to operating one: institutions must be aligned, supervisors equipped, and dialogue sustained, while international engagement and regulatory clarity become the central design goals.

IV. CONCLUSION

This paper set out to examine how Singapore and Vietnam currently govern their Fintech ecosystems and to identify lessons for Vietnam, with Singapore serving as a regional benchmark. The comparison reveals that Vietnam has reached a new stage of regulatory development: with the enactment of the regulatory sandbox under Decree No. 94/2025/ND-CP and a comprehensive data-governance architecture established through the Law on Data and the Law on Personal Data Protection, the key challenge has shifted from rule-making to the coherence with which an increasingly dense rulebook is coordinated, resourced, and enforced. Measured against Singapore—whose integrated regulator, deliberate capability pipeline, institutionalised stakeholder engagement, and leadership at the institutional frontier define the benchmark - Vietnam's Vietnam continues to face challenges in inter-agency coordination, supervisory capacity, and depth of international engagement beyond retail payments. Rather than enacting new rules, Vietnam should prioritize the effective implementation of its existing framework operating its existing framework coherently: Vietnam should formalize coordination between the State Bank of Vietnam and the Ministry of Public Security, build dedicated supervisory expertise, sustain structured industry dialogue, and extend international cooperation toward frontier standards. More fundamentally, Singapore's enduring lesson for Vietnam is one of regulatory mindset rather than specific policy instruments: well-designed regulation should be viewed as a foundation for innovation rather than a barrier, responsible innovation. If Vietnam can convert its newly mature statutory base into well-coordinated and adequately resourced supervision, it will be able to achieve deliver an effective balance between innovation and regulatory safeguards that permits innovation while protecting users and preserving financial stability.

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