



# HR Electronic Records

## Electronic Signatures in Vietnam: What it means for HR

### What is an electronic signature?

Generally speaking, an electronic signature (or e-signature) is a technical process logically associated with a document which two (or more) individuals or organizations (the signatories) agree to rely on in order to express their intent to sign such document. Three components are therefore necessary: a document, a signatory and an e-signature tool. While the tool most commonly used for handwritten signatures is a simple pen, electronic signature tools are typically more complex.

From a regulatory standpoint, an electronic signature is a broad category that encompasses many types (or levels) of electronic signatures.



Depending on the country it is used in, there are differences in purpose, legal acceptance, technical implementation and cultural acceptance of electronic signatures. In particular, e-signature requirements tend to vary significantly between most “civil law” countries (including the European Union and many countries in South America and Asia), and most “common law” countries (such as the United States, Canada and

Australia). Civil law countries typically support a “tiered” approach including higher levels of signature often called digital or qualified electronic signatures (typically required for specific types of contracts), as opposed to common law jurisdictions which are typically more technology-neutral.

In addition, some industries (such as healthcare or banking) and documents (such as marriage or adoption contracts) may require a higher level of e-signature.

### What are the laws and regulations in Vietnam?

Electronic signatures are recognized in Vietnam per the Law on E-Transactions (Law No. 51/2005/QH11) and its guiding/implementing regulations, including the Decree Detailing the Implementation of the Law On E-Transactions of Digital Signatures and Digital Signature Certification Service (No. 130/2018/ND-CP).

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The regulations also provide for digital signatures, a form of electronic signatures which require certification (Decree 130, Art. 8.2).

When a data message is required by law to have a signature, an electronic signature may be considered sufficient if (Law on E-Transactions, Art. 24.1):

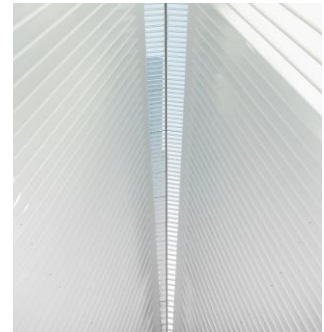
- the method to create the electronic signature identifies that individual and indicates the signer's approval of the data message; and,
- the method is sufficiently reliable and appropriate for the purpose of creation of the data message.

In addition, where a law requires a written document to have the company's seal, an electronic signature may be considered sufficient if: the record meets the requirements above; the electronic signature is signed by the company, and the signature is certified by an organization licensed to certify electronic signatures.

## Is an electronic signature valid in Vietnam?

Yes. Electronic signatures are recognized in Vietnam, and its use is generally based on agreement between all concerned parties.

In the employment context, electronic and digital signatures are currently not a popular practice in Vietnam, with the exception electronic invoices required in accordance with tax regulations. Signatures for employment contracts and other employment agreements are usually completed using wet-ink signatures.



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