



EDUCATION M&A: DECREE 66 INTRODUCES POST-CLOSING DISCLOSURE AND LICENSING OBLIGATIONS

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Vietnam has introduced new disclosure and licensing requirements that affect not only future capital transfer transactions involving private schools, but also private schools that have undergone capital transfers in the past. These requirements are set out in Decree No. 66/2026/ND-CP (“**Decree 66**”), which took effect on 15 March 2026 (the “**Effective Date**”).

Although Decree 66 is linked to Decree No. 86/2018/ND-CP, as amended (“**Decree 86**”), which governs foreign-invested educational institutions including short-course training facilities, the requirements under Decree 66 do not apply to short-course training facilities such as foreign language centers.

Disclosure of Investors

Within 14 working days from (i) the effective date of a capital transfer (for new transfers), or (ii) the Effective Date (for transfers completed prior to the Effective Date), a private school must:

- publish on its website, and
- submit a notification to the relevant local authorities

a list of its investors in the prescribed statutory form.

This requirement applies to all private schools, regardless of whether their investors are domestic or foreign. The relevant local authorities depend on the type of school and may include:

- ward-level education departments and People’s Committees (for schools where the highest level is lower secondary);
- provincial-level education departments and ward-level People’s Committees (for high schools and multi-level schools where the highest level is high school); and
- ward-level People’s Committees and provincial People’s Committees (for vocational schools and universities).

New Education Operation Licensing Requirements

Within 30 working days from (i) the effective date of a capital transfer (for new transfers), or (ii) the Effective Date (for pre-existing transfers), a private school that has undergone a capital transfer between a domestic investor and a foreign investor must apply to amend its education operation licence (*quyết định cho phép hoạt động giáo dục*).

Such amendment must be carried out in accordance with Decree 86, which governs foreign-invested educational institutions.

Although the education operation licence does not contain shareholder information, Decree 66 appears to be designed to require that:

- a domestic school that becomes “foreign-invested” as a result of a capital transfer must undergo licensing procedures with the relevant education authority; and
- in doing so, the school must demonstrate compliance with the statutory operating conditions applicable to foreign-invested educational institutions.

Note that the education operation licence issuing authorities under Decree 86 differ from those applicable to purely domestic private schools. For instance, the issuer of the education operation licence for a purely domestic secondary school is the ward-level education department while that for a foreign-invested one is the provincial-level education department.

This process may be burdensome, particularly as all campuses of a corporate entity are subject to the education operation licence requirements.

Implications for Inbound M&A

At present, it remains unclear what consequences may arise from delaying or failing to obtain the required amended education operation licence, including whether such non-compliance could expose schools to risks of business suspension.

The new requirements indicate that it is essential to ensure that the target school satisfies the statutory operating conditions applicable to foreign-invested educational institutions under Decree 86 prior to completion of the acquisition.

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