

Implementation Effects of Vietnam's 2025 Constitutional Amendments: Local Government Restructuring and Border Trade Operations

Chuanming Ma^{1,*}, Jiale He²

¹ School of Law, Yunnan University, Kunming, China

² School of Economics, Yunnan University, Kunming, China

* Corresponding Author Email: 20241030053@stu.ynu.edu.cn

Abstract. Vietnam introduced constitutional changes in 2025 to reconstruct the local government system, introducing a two-tier framework of provincial coordination and local implementation. To illustrate how constitutional changes turn into constitutional governance operations, this paper introduces a framework of norm integration, authority reallocation, and procedural front-loading. Based on the border checkpoint cases and monthly trade data between China and Vietnam, it reveals that the impact of reform is to be manifested in a gradual and progressive manner, with the initial volatility and then stabilization in high-coordination settings but not the immediate improvement of performance.

Keywords: Vietnam's constitutional amendments, constitutional implementation effects, two-tier local government reform, procedural front-loading, policy implementation theory.

1. Introduction

1.1 Research Background

In 2025, Vietnam initiated constitutional amendments and changed the three-tiered local government to a two-tier system, with a provincial coordination mechanism and implementation at the grassroots level [1]. This change is different from other amendments that developed the constitutional principles which is principally about institutional reorganization with hierarchical compression, reallocation of powers and responsibilities. Since July 1st 2025, the two-tier local government model has been fully realized, with constitutional norms beginning to be integrated into the day-to-day governance of local governments.

Constitutional revision and administrative restructuring are moving forward concurrently, the issue of key institutions shifts from design to implementation. Local power and responsibility resharing, grassroots capacity take-up and cross-agency coordination during structural change constitute an empirical context for witnessing constitutional implementation effects.

1.2 Research Questions and Gaps in the Literature

The research on constitutional implementation has so far mostly been concerned with the relationship between constitutional norms and political practice [2]. Other research studies view the extent of the gap between the constitutional text (*de jure*) and its implementation (*de facto*) and thus make constitutional implementation an empirically comparable object, using compliance indices and cross-national databases [3, 4]. This method uncovers systematic discrepancies between norm and practice, but largely depends on macro-level indicators and provides little explanation of how constitutional constructs come into governance processes through administrative structures.

A second line of work focuses on the respective countries, particularly on the functions of the constitutions, their amendment processes and their participation in political integration and power organization [5]. While it contributes to an understanding of institutional positioning and design logic, this literature tends to have an analytical focus on constitutional texts and political structures and offers little empirical information on how constitutional norms play out in day-to-day governance.

As Vietnam's constitution continues to be amended, research on the restructuring of the two-tier local government and on institutional integration has grown. Most of the discussions, however, focus on the design of reform and formal arrangements and less on observable effects of structural adjustment on governance practice. There are several intervening variables between policy outcomes and actual outcomes and sometimes these factors determine the actual outcome such as organizational structures and implementation mechanisms [6]. In the light of this, the focus needs to be directed from normative confirmation to institutional transmission and operating mechanisms.

1.3 Research Design and Contributions

This paper analyzes the two-tier local government reform in Vietnam by using the norm integration, power and responsibility reallocation, and procedural mechanism as analytical tools, using the constitutional amendments of the country in 2025 as the starting point for analysis. It argues that the impact of constitutional implementation is manifested through the intervening variables that are highlighted in policy implementation theory, in the process of the implementation of constitution into concrete governance operations through intermediate institutional links.

As a mechanism, the study considers the procedural front-loading as an important link between organizational restructuring and multi-agency coordination, and an institutional role for reshaping authority – responsibility relationships and absorbing coordination costs. Empirically it takes China – Vietnam border trade as the observation window, and expresses the phased features of institutional adaptation through changes in the operation rhythm.

2. Vietnam's 2025 Constitutional Amendments and the Institutional Context of Local Government

This part will be devoted to the institutional changes in the Vietnam's 2025 constitutional amendments that are directly relevant to the local government structure. Normatively, it makes transparent the legal bases to the reshaping of local governance. Although the extent of this revision is relatively limited, it is based on local government structure and adopts a hierarchical reorganization method to promote a comprehensive administrative revision and structural reconstruction [7].

2.1 Amendments Directly Concerning Local Government Structure

The new Constitution, for one thing, brings a new orientation toward a two-tier system of local government. It compacts the governance chains through a hierarchical compression of powers and responsibilities, and as a shift in the institutional focus towards a framework of "provincial coordination and grassroots implementation".

Secondly, the decentralization and departure of district-level units shortened the governance chain, and changed the multi-layered administration to a form of provincial coordination and grassroots implementation. Supporting changes, especially functional integration and authority were promoted in parallel, to maintain continuity in operations during the transition.

Thirdly, the "constitutional authorization combined with institutional flexibility" in the organisation of local government implies that the Constitution defines the general direction and principles of the system, leaving the Law on the Organisation of Local Government to give more detailed instructions, thus introducing a normative element for the subsequent administrative reorganisation.

2.2 Institutional Objectives and Implementation Orientation

Along with that, Vietnam has also been moving towards downsizing while enhancing effectiveness of administration in this round of constitutional amendments, which shows a clear direction towards administrative performance. This means that the goals of the constitution have to be integrated via an authoritative redirection and the reengineering of the administrative processes as well as being applied in real governance contexts [9].

The ways in which these institutional goals get translated into observable patterns of operation through institutional organizational and procedural mechanisms are under-explored. Hence, the use of border checkpoint governance and China – Vietnam trade operations in the following sections as empirical windows to examine the implementation of structural adjustment in high-coordination settings.

3. The Legal Logic and Operational Mechanisms of Local Government Restructuring: Border Checkpoints as an Observation Arena

The “provincial coordination–grassroots implementation” model defines the direction of Vietnam’s local governance reform. Yet how constitutional norms enter day-to-day operations still requires analysis through administrative processes. Focusing on intermediate transmission mechanisms of constitutional implementation, this section examines institutional mechanisms at three levels: the normative linkage provided by the Law on the Organization of Local Government, the reallocation of powers and responsibilities, and procedural restructuring, supported by trade operation data as an empirical anchor [10].

From the perspective of Sabatier’s policy implementation theory, organizational structures, authority allocation, and procedural rules can all be understood as intervening variables linking normative goals to operational outcomes. Their stability shapes the practical trajectory of institutional adjustment [6]. Border checkpoints, characterized by multi-agency parallel enforcement and high-frequency procedural coordination, therefore constitute a high-coordination arena for observing the effects of structural reform.

3.1 Norm Integration and the Legal Interface of Constitutional Implementation

The principle and programmatic character of the Constitution precludes the possibility of using it as the basis for administrative acts in particular. The governance structure established by the Constitution thus must be translated - by means of organizational legislation - into clearly defined administrative status and boundaries of administrative authority, creating a legal interface between the constitutional design and actual administrative action.

The Law on Organization of Local Government (Law No. 65/2025/QH15) plays the role of this interface in Vietnam's reform in 2025. It applies the two-tier model by redefining the administrative units, specifying the division of responsibility between the provincial coordination and grass-roots implementation and taking away the decision-making power of the intermediate level. Thus, the intent of the Constitution is translated into enforceable rules of the institutions.

Additional rules and measures were put in place to ensure any gaps of authority were filled during the transition. These arrangements marked the shift from political decision to the legally based institutional change in the restructuring of local governance. But, integration of norms grants authorization, the operation of power requires a reconfiguration of the allocation of authority and responsibility chains.

3.2 Reallocation of Administrative Authority and Reconstruction of Responsibility Chains

Once the constitutionally grounded norms are rendered in the organizational law, whether or not structural reform moves into governance practice will be determined by how administrative power is redistributed in the new structure. Norm integration refers to institutional authorization; while the transfer of powers and the responsibility attribution decide whether governance is able to function in a stable manner. The 2-tiered structure sees functions formerly held at the district level, such as approval, supervision and procedural discretion, are redistributed. Such transfers can leave a vacuum of accountability or accountabilities and thus undermine the institutional basis of reform in absence of outlined statutory frameworks and coordination rules.

This problem has a special relevance on border governance. Port administration depends on the procedural coordination of various agencies, which are involved in the customs clearance, inspection

and quarantine. In the new structure, provincial coordination and grassroots execution should be a closed responsibility line, otherwise, it might be possible that there are a separation between acting authorities and accountable entities, which may lead to operational uncertainties.

As such, the first line of effect of structural adjustment is the reconfiguration and adaptation of authority – responsibility structures. In the initial period of the reform process, the devolution of powers and the reorganization of responsibility chains are still in a period of institutional adaptation and could lead to short-term changes in high-coordination arenas. Operational rhythms are likely to settle into a more stable pattern as authority boundaries are drawn. Reallocation of power is therefore an important institutional prerequisite for the stabilisation of the implementation of the constitution at the governance level.

3.3 Procedural Front-Loading as an Intermediate Mechanism for Coordinated Operations

The fact that administrative powers and responsibilities are redistributed also means multi-agency coordination is dependent on procedural coordination costs being able to be absorbed alongside any organizational restructuring required in order to maintain a stable coordination. Such costs are primarily due to frictions stemming from a misfit between procedural rules and the new governance structure, particularly in governance situations with several agencies having parallel powers.

Procedural linkage plays a key role in customs clearance, inspection and quarantine in the context of border checkpoint governance. Coordination, if it is still done in the old hierarchical way can be manifested by delays or passing the buck. So, if the coordination costs are to be reduced, there has to be a restructuring of the procedures.

In actual practice, these changes are mostly made by means of procedural frontloading, by changing the sequence of procedures, moving the point of initiation further upstream. These are pre-arrival processing, uniform declarations, sharing of information among agencies, diversion through a risk-based approach, and corrective/reparative action for out-of-the-way cases. Multi-actor enforcement is integrated in a more predictable procedural track through front-loading.

Procedural front-loading is normally done via platform-based rules and supported by digital platforms. These rules streamline workflows and help to integrate information, which improves the efficiency of coordination. But there are also benefits and risks in technical closure, as it may also have implications for compliance levels and access to remedies.

As example, at Lang Son border checkpoint, local authorities have applied for the declaration before arrival and review on the unified platform, which allows sharing data in real time and parallel processing. This decreases the pressure on site procedure, and early-stage clearance time variation shows that there is still a need for the rule to be refined.

3.4 Comparative Examination: Lao Cai Border Checkpoint and the Transferability of Procedural Front-Loading

This study presents the case of the digital port development of Lao Cai (Lào Cai) as a comparative case to examine the applicability of the procedural frontloading and the platform-based governance mechanisms across contexts.

In recent years, Kim Thanh border checkpoint of Lao Cai has encouraged to have a unified electronic declaration and information sharing platform, changing the customs clearance process from customs clearance to pre-arrival declaration and review based on the system. Enterprises make online declarations prior to the goods arriving, and simultaneously report to customs, border and quarantine authorities. This allows for parallel processing and procedural integration, decreases the time of on-site handling and costs of coordination.

Both cases use pre-arrival declaration as the point of departure in their procedures and reorganise temporal coordination around the platform-based sharing of data, revealing a stable operational logic of procedural front-loading in high-coordination governance arenas when compared to the case of Lang Son. Concurrently, Lang Son focuses on platform integration and coordinated dispatch, while

Lao Cai values process simplification and efficiency improvements, reflecting the mechanism's adaptability and flexibility in various contexts.

This case also reinforces the notion that procedural frontloading and platform-based rule-building are important institutional instruments which can play a role in decreasing the coordination costs of border governance and that these instruments are transferable between regions.

3.5 Data as “Operational Signals”: Empirical Manifestations of Institutional Adjustment

This section provides a window through monthly China – Vietnam trade data, which serves as the external indicators of local governance restructuring in a high-coordination arena: the rhythms of trade operation. The data comes from the General Administration of Customs of China and covers total trade volume, exports and imports in the time span of January 2024–December 2025. Drawing on the operational date of the two-tier local government model (July 1, 2025), the study presents a descriptive comparison between the operational patterns before and after the institutional adjustment and captures two operational signals to mark the institutional adjustment.

First, the post-reform performance in trade shows some short-term volatility and then stabilisation. As illustrated in Figure 1, there is some localized volatility in total trade volume before settling into a fairly stable range, indicating that a certain adjustment process was carried out in procedural and coordination mechanisms before reaching a new operational range.

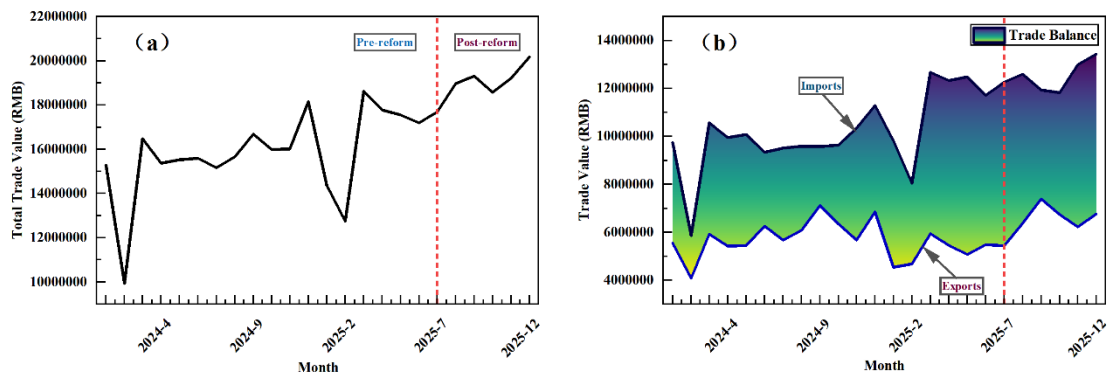


Figure 1. Overall Monthly Trend of China–Vietnam Border Trade

Second, the response of exports and imports is different. In contrast to imports, exports are more stable as can be seen in Figure 2 below, showing that exports are less sensitive to institutional changes. The import procedures depend more on the level of regulatory coordination and linkage of procedures, and such phased fluctuations can be interpreted as operational signals that are given during the reconstruction of responsibility chains and cooperative structures.

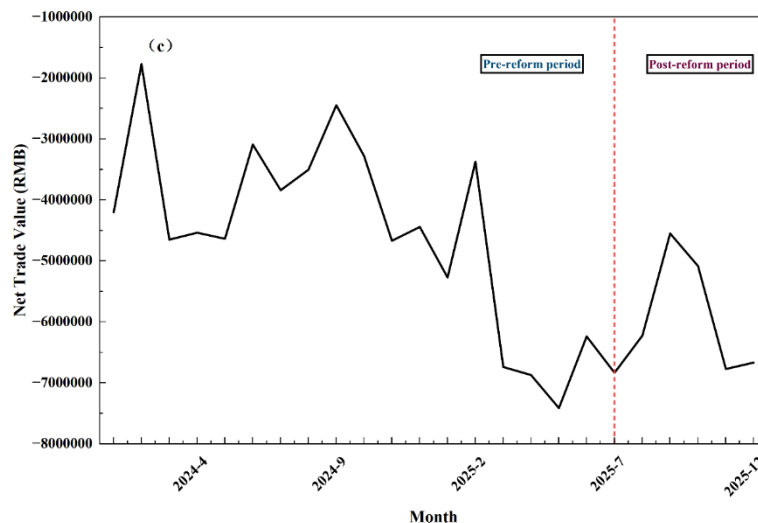


Figure 2. Divergent Monthly Dynamics of China–Vietnam Border Trade

The data above is merely provided as external signals of the operation of the institution(s) and is used to support the preceding mechanism analysis. The transmission pathway of constitutional implementation effects is summarized in Figure 3: constitutional amendments trigger structural reconstruction; constitutional effects of authority reallocation and responsibility chain rebuilding take place in the frame of high-coordination arenas, which result in a pattern of a burst of volatility, followed by renewed stabilization of trade operations.

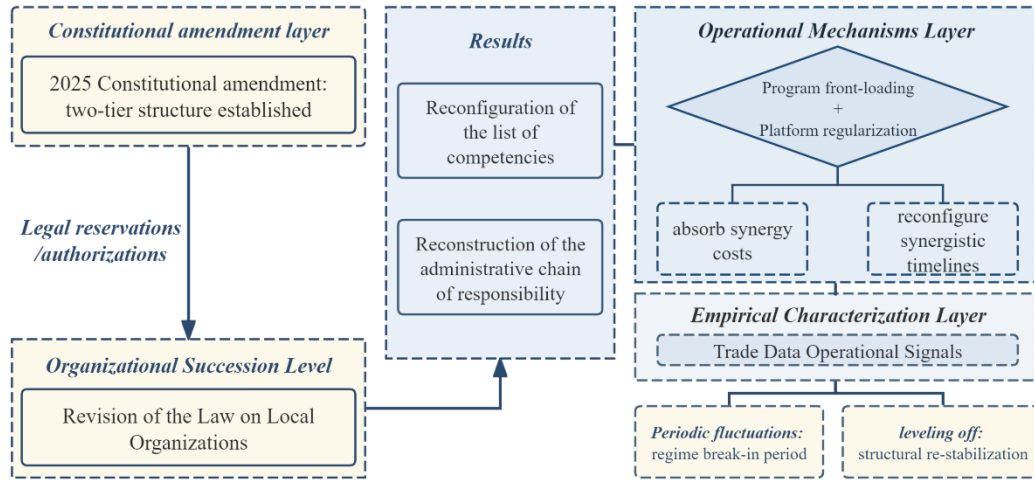


Figure 3. Implementation Transmission Mechanism (Vietnam, 2025)

Based on the foregoing analysis, it is concluded that the constitutional revision does not have a direct effect on the performance but indirectly through the organization and procedural intermediary.

4. Mechanism-Based Explanation and Rule-of-Law Implications of Constitutional Implementation Effects

4.1 Mechanism-Based Explanation

As shown in Figure 3, the impact of the constitutional implementation is not directly felt in governance performance but goes through an intermediate stage made up of organizational structures and procedural rules that, in turn, impact concrete operational arenas [9-11].

Policy implementation theory suggests intervening mechanisms have a pivotal role between the normative goals and the actual outcomes [6]. In the case of structural reorganization, the distribution of authority and lines of responsibility are altered; in the case of procedural reorganization, the costs of coordination are incorporated; in both cases, the new structure becomes a part of the everyday functioning. The observable manifestations of this process of institutional adaptation are the rhythms of fluctuation and then stabilization of trade, which are happening in a phased manner.

4.2 Rule-of-Law Implications

In the case of Vietnam, constitutional change is more effective if supported by well conceived institutional design and transitional arrangements to ward off responsibility gaps and any disruption in operation during the process of structural change.

Regarding border governance, the necessary structural reform should improve the efficiency of the processes without compromising the continuity of institutions, to ensure the continuity of customs clearance and regulatory control processes.

High-coordination governance arenas are interesting empirical cases for studying operational signals and their conversion into practical outcomes for the purposes of research.

5. Conclusions

This study explores the two-tier local government reform and how it is being implemented in the context of Vietnam's upcoming constitutional amendments in 2025 through the lenses of organizational and procedural intermediary mechanisms. The results indicate that the manifestation of structural adjustment in the form of a hierarchical reorganization and reshaping of authority – responsibility arrangements can be observed as changes in the rhythm of operation in high-coordination governance arenas.

By structuring the rules around the platform, and frontloading the proceedings, these are helpful mechanisms to incorporate coordination costs into the new institutional setting, allowing the new institutional setting to slowly take root within a relatively stable trajectory of operation. Trade operation data changes are representative of the institutional transmission of the constitutional change from a process of normative confirmation to governance practice. Based on the small window of observation, and limited data set, these conclusions are tentative and can be further validated in the field.

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