

MOVABLE PROPERTY

Movable Property Valuation in Vietnam: Why It Is More Complex Than It Looks?

In corporate transactions and day-to-day business operations, attention is often drawn to real estate. Yet movable property – including machinery, equipment, vehicles, inventories and other assets – can represent a significant portion of an enterprise's asset base and play a direct role in generating revenue and supporting operations.

Although movable assets may appear easier to value than real estate, the reality can be quite different. Rapid technological change, limited market data, asset-specific technical characteristics and differences in operating conditions can make movable property valuation a highly specialized exercise.



So, what exactly is movable property, how is it valued under Vietnam's current regulatory framework, and what are the key risks that businesses and valuers should consider?



1

WHAT IS MOVABLE PROPERTY

Under Vietnam's Civil Code, property includes objects, money, valuable papers and property rights, and is classified into immovable and movable property. In legal terms, movable property is generally understood as property that is not classified as immovable property.

In practice, movable property may include machinery and equipment, production lines, motor vehicles, vessels, inventories, raw materials, goods, valuable papers, certain property rights and other assets that are not legally classified as immovables.

EXAMPLES OF MOVABLE PROPERTY

- Machinery, equipment, production lines
- Motor vehicles, vessels, and other means of transport
- Inventories, raw materials, and goods
- Valuable papers and other financial instruments
- Property rights and other assets not classified as immovable property

For businesses, movable property can account for a substantial share of operating assets. Manufacturing companies, for example, may have significant value concentrated in production lines and specialized machinery, while logistics businesses may rely heavily on vehicles and handling equipment.

Correctly identifying and classifying the asset is therefore an important first step. The legal characteristics, ownership documentation, marketability, valuation assumptions and appropriate valuation methods may vary considerably depending on the type of asset involved.

2

MOVABLE PROPERTY VALUATION UNDER VIETNAM'S CURRENT REGULATORY FRAMEWORK

Under the Law on Prices No. 16/2023/QH15, as amended and supplemented, valuation is a consulting activity that determines the value of an asset at a specified location and point in time for a particular purpose, performed by a valuation enterprise or valuation council in accordance with the Vietnamese Valuation Standards. Law No. 140/2025/QH15, which further amended the Law on Prices, took effect on January 1, 2026.

The current regulatory framework also includes Decree No. 85/2024/ND-CP, as amended by Decree No. 128/2026/ND-CP, together with the Vietnamese Valuation Standards issued by the Ministry of Finance.

For movable property valuation, several standards are particularly relevant. The key Circulars are as follows:

Circular No. 30/2024/TT-BTC:

Professional ethics, scope of valuation work, bases of value and valuation documentation.

Circular No. 31/2024/TT-BTC:

Collection and analysis of information on subject assets.

Circular No. 32/2024/TT-BTC:

Standards governing the market, cost and income approaches.

Circular No. 37/2024/TT-BTC:

Relevant where intangible assets are involved.

These Circulars have been effective since July 1, 2024.

For valuation services provided by a valuation enterprise, the valuation conclusion is documented through a valuation report and a valuation certificate.

Importantly, the validity period of a valuation certificate is not automatically fixed at six months. It must be determined based on the legal, economic and technical characteristics of the subject asset, relevant market and regulatory changes, and the purpose of the valuation. However, the period **must not exceed six months from the date of issuance of the valuation certificate.**



3 IS MOVABLE PROPERTY VALUATION EASIER THAN REAL ESTATE VALUATION?

Not necessarily.



For standardized assets such as commonly traded vehicles, general-purpose machinery or certain types of commercial equipment, market information may be relatively accessible. This can facilitate the use of the market approach.



Movable assets can also be physically inspected, allowing valuers to assess factors such as year of manufacture, specifications, capacity, operating hours, maintenance history and overall physical condition.

However, these apparent advantages can be misleading.



Specialized machinery may have a very limited secondary market, with few observable transactions available for comparison. Two machines with similar specifications may have significantly different values depending on their operating history, maintenance practices, remaining useful life or compatibility with existing production systems.



Technological change creates another major challenge. An asset may remain in good physical condition but suffer substantial functional or technological obsolescence because newer equipment offers greater capacity, lower energy consumption, higher automation or better compatibility with modern production processes.



Integrated production lines are even more complex. The value of an individual machine when sold separately may differ considerably from its contributory value as part of an operating production line. Removal, dismantling, transportation, reinstallation, commissioning and system-integration costs may also materially affect value.



As a result, the valuation of machinery and equipment requires more than simply identifying the original purchase price and applying depreciation. It requires an understanding of the asset's technical characteristics, market conditions, economic utility and the specific premise under which the asset is being valued.

4 KEY RISKS IN MOVABLE PROPERTY VALUATION

Several risk factors can materially affect the reliability of a movable property valuation:

- **Technological and functional obsolescence:** Equipment can lose economic value much faster than its physical deterioration would suggest, particularly in technology-intensive industries.
- **Physical condition and depreciation risk:** Actual depreciation depends on operating intensity, maintenance quality, repairs, environmental conditions and previous use. Relying solely on age or accounting depreciation may therefore produce misleading results.
- **Market-data risk:** Specialized equipment, customized production lines and project-specific assets may have few comparable transactions. Limited or non-transparent market information increases uncertainty and makes adjustments more judgment-intensive.

- **Legal and ownership risk:** Incomplete documentation relating to ownership, origin, importation, registration, encumbrances or disposal rights may affect both marketability and value.
- **Configuration and system risk:** An individual asset may have a different value when considered separately from the production line or system in which it operates. Incorrectly defining the valuation unit can therefore result in material valuation differences.
- **Location and removal risk:** The value of machinery in its current installed condition may differ from its value after dismantling and relocation. Transportation, dismantling, reinstallation and commissioning costs should therefore be considered where relevant.
- **Regulatory and transaction-purpose risk:** Valuations conducted for procurement, bidding, public-asset disposal, auction or other regulated purposes may also be subject to additional requirements under the applicable laws on bidding, property auctions, public property and other relevant legislation.



These factors illustrate why the physical existence of an asset does not necessarily make its value easy to determine.

5 WHAT CAN GO WRONG WHEN MOVABLE PROPERTY IS INCORRECTLY VALUED?

For businesses and asset owners, overvaluation may lead to overpayment in an acquisition, excessive collateral recognition or unrealistic expectations regarding asset disposal proceeds. Undervaluation, on the other hand, may result in assets being sold below their reasonable value or may negatively affect transaction negotiations and financial decisions.

An expired valuation certificate, or a valuation performed for a purpose materially different from its intended use, may also be rejected or considered inappropriate by the party relying on the valuation.

For valuation enterprises and professional valuers, the consequences can be more significant. Depending on the nature and severity of the violation, professional errors or non-compliance may result in liability for losses, administrative sanctions and other measures applicable under the Law on Prices and regulations governing valuation activities.



Vietnam's administrative-sanction framework for price management was further updated in 2026 through Decree No. 114/2026/ND-CP, which amended Decree No. 87/2024/ND-CP.

Beyond regulatory consequences, an inaccurate valuation can also cause significant reputational damage. For professional valuation firms, credibility depends not only on arriving at a number, but also on demonstrating that the conclusion is supported by appropriate information, sound valuation methodology and professional judgment.

CONCLUSION

Movable property valuation requires more than applying standard depreciation. For specialized machinery, imported equipment and integrated production lines, valuers must assess the asset's technical characteristics, operating environment, market conditions, technology and legal status. While the Law on Prices and Vietnamese Valuation Standards provide the regulatory framework, valuation quality ultimately depends on reliable information, appropriate methodology and the professional judgment of certified valuers.

