



**GLOBAL VIETNAM
LAWYERS**

LEGAL NEWSLETTER

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SIGNING CEREMONY OF COMPREHENSIVE COOPERATION AGREEMENT BETWEEN GIBC AND GV LAWYERS



Signing Ceremony of Comprehensive Cooperation Agreement between GIBC and GV Lawyers

Global Integration Business Consultants (GIBC) and Global Vietnam Lawyers (GV Lawyers) officially signed a Comprehensive Cooperation Agreement in Ho Chi Minh city on 4 December 2019.

The Cooperation Agreement between GIBC and GV Lawyers aims to jointly provide mutual clients with the corporate sustainability consulting services, on the basis of harmonizing economic, social and environmental benefits; family business management consulting services, including legal consulting, strategy consulting and solutions to improve business performance, to accompany corporate clients in creating a dynamic and progressive business environment, as well as to affirm Vietnam's critical position in the global business map. In addition, GIBC and GV Lawyers also share common social responsibility values and participate in social and environmental activities, such as "Clean Water for Schools" program, PRO Vietnam – an initiative to strengthen the packaging recycling ecosystem in Vietnam, etc.



Under the Cooperation Agreement, parties shall endeavour its best effort to strengthen support, exchange information, and share resources to maximize the potential, promote advantages of each party, improve quality of services, and provide solutions that are in line with corporate clients' highest requirements of legal standards, business practice, feasibility and efficiency.

Both parties shall affirm long-term comprehensive cooperation on the basis of voluntary acts, equality, competence, mutual benefits and legal compliance.

Our Strategic Partnership



In its quest for more opportunities to improve professionally, learn from one another's experience and build an extended foundation for robust and sustainable development in the long term, GV Lawyers has all along attached great importance to finding and building strategic partnership with customers and profession-mates domestically and internationally. Finding a partner and being accepted as a partner is a laborious process of investing time, effort and building trust which requires enthusiasm but also serenity, wisdom and most of all perseverance and endurance.

"Coming together is a beginning. Keeping together is a process. Working together is Success".

For GV Lawyers, each strategic partner is precious and worth a high tribute precisely because of such demanding "looking-for gold-in-the-sand" work.

Let us introduce below are some of GV Lawyers' Strategic Partners:



GIBC is founded with the vision of accompanying Vietnamese businesses on the journey toward sustainable growth and integration into the global economy, GIBC brings together a diverse team of professionals and experts from various business and management backgrounds, including veteran leaders and senior managers from local and multinational firms and organizations, economic experts, accredited legal advisors, accomplished PR and communications specialists and professors from leading local and international universities.

GIBC aims to facilitate business growth for its customers and prepare them for global competition through strategy advisory and management consulting services, including business restructuring insights, human resource consulting, risk management consulting, marketing, communication and CSR consulting.

PRO VIETNAM

PRO VIETNAM or Packaging Recycling Organisation in Vietnam is an organization founded by 9 companies but having presently 12 member companies including (in alphabetical order): Coca-Cola Vietnam, FrieslandCampina, La Vie, Nestlé Vietnam, NutiFood, Saigon Coop, Suntory PepsiCo Vietnam, Tetra Pak Vietnam, TH Group, The Apple Tree Group (Annam Gourmet), and URC Vietnam. Their goal is to coordinate their action through PRO Vietnam such as implementing joint measures to contribute to protecting /limiting the harm caused to the environment in Vietnam. What is very special in PRO VIETNAM is that for the first time in Vietnam, companies that compete with one another very fiercely in the marketplace rally for a common cause for community benefit.

As of November 2019, through an Agreement signed with PRO VIETNAM, GV Lawyers has officially become PRO VIETNAM's Strategic Partner in the field of legal consultancy.



PRO Vietnam's goal is to contribute to a clean, green and beautiful Vietnam by promoting the circular economy with 9 companies joining the initiative: Coca-Cola Vietnam, Friesland Campina Vietnam, La Vie, Nestle, Nutifood, Suntory PepsiCo Vietnam, Tetra Pak, TH Group and Universal Robina



**REMARKABLE
REGULATIONS**

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- III. Regional Minimum Wages In 2020**
- IV. Imposing Penalties For Land-related Administrative Violations**
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I. NOVELTIES IN THE LABOUR CODE 2019



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The revised Labour Code 2019 takes effect on 01 January 2021 and will replace the current Labour Code 2012. Novelty of interest for employees and employers are as follows:

Extending the scope and object of amendment:

The Labour Code 2019 extends for the first time for the object as an employee who does not have a labour relationship with some specific standards.

Increase the retirement age to 62 for men and 60 for women as prescribed in Article 169

Add one more day-off of the year on the day immediately adjacent to National Day, which may be 01 September or 03 March, depending on the calendar year specified in Article 112.

Eliminating seasonal labour contracts

Article 20 of the amended Labour Code has removed the content of a seasonal contract or a job with a term of less than 12 months, instead there are only two types of contracts: indefinite term labour contract and definite term labour contract.

Acknowledging the form of electronic labour contract

Stemming from practice along with the development of science and technology, the conclusion of labour contracts is not merely in writing, words or acts. Thereby, Article 14 of the new Labour Code has acknowledged the form of concluding labour contracts through electronic means with the same validity as a written labour contract.

Signing a multiple definite term contract with the elderly

Usually, the elderly are those who have many years of working with a lot of experience, especially the jobs that require high qualifications. Therefore, in order to promote the value of the elderly, Article 149 of the Labour Code allows employers to agree to enter into multiple definite term labour contracts with the elderly instead of extending the term of labour contracts or entering into new labour contracts as before.

Employees may unilaterally terminate the contract without cause

In order to overcome the limitations and inadequacies from the application of cases of unilateral termination of employees' contracts, Article 35 of the Labour Code 2019 allows employees the right to unilaterally terminate contracts unreasonably with a 30-day notice for a definite term contract and a 45day notice for an indefinite term contract.

Authorizing others to get paid

In case the employee cannot receive salary directly, the employer may pay the salary to another employee legally authorized.

Being banned from forcing employees to use salary to buy company goods and services

Do not force employees to spend salaries on the purchase of goods or services by the employer or other units designated by the employer.

Conducting regular dialogue at the workplace once every year

Instead of the current 3-month periodic arrangement, Article 63.1 of the amended Labour Code has changed the time for holding regular workplace dialogues to once every year; at the same time, adding a number of cases where employers have to organize dialogues such as due to economic reasons, many employees are at risk of losing their jobs and have to quit their jobs; when formulating the wage scale, payroll, labour norms, etc.

The Labour Code, expected to be implemented in early 2020, will have a significant impact on the enterprise operations in compliance with the law and effective application. In case you need more specific legal advice or have relevant questions, please contact us for advice and timely sharing.



If you have any other questions regarding these Legal Newsletters, please contact us via the telephone: +28 3622 3555 or email: info@gvlawyers.com.vn

REMARKABLE REGULATIONS



II. SOME NEW REGULATIONS IN INSURANCE BUSINESS ACTIVITIES

On November 01, 2019, the Government issued Decree 80/2019/ND-CP (Decree 80) amending and supplementing Decree 73/2016/ND-CP and Decree 98/2013/NĐ-CP on the insurance business field.

Accordingly, Decree 80 amends and supplements some contents as follows:

1. Insurance auxiliary services

Insurance auxiliary services are an integral part of insurance business activities recognized in Law on insurance business and the amended Law on intellectual property 2019. The individuals who directly conduct insurance auxiliary activities must satisfy the following requirements on diplomas and certificates:

- Insurance consultancy activities: possess a university or higher degree in insurance major, or a university or higher degree in another major and a certificate of insurance consultancy.
- Insurance risk evaluation activities: possess a university or higher degree in insurance major, or a university or higher degree in another major and a certificate of insurance risk evaluation.



➤ Insurance actuarial activities:

- For life insurance and health insurance enterprises, they must be trained and have carried out actuarial works for at least 10 years in the sector of life insurance and health insurance, and are fellows of one of internationally recognized societies of actuaries or a Society of actuaries which is an official member of an international Society of actuaries; otherwise, they must have at least 05 years doing actuarial works in the sector of life insurance and health insurance after becoming fellows of one of such societies; and have not violated actuaries' occupational ethics.
- For non-life insurance enterprises, reinsurance enterprises, foreign branches, they must be fellows of a Society of actuaries which is an official member of an international Society of actuaries; and have not violated actuaries' occupational ethics.

Damage assessment activities: possess a college or higher degree appropriate for the field of assessment; possess a certificate of damage assessment in insurance and have at least three years of experience in the field of assessment
For insurance claim settlement activities: they must possess a college or higher degree and a certificate of insurance claim settlement.





II. SOME NEW REGULATIONS IN INSURANCE BUSINESS ACTIVITIES

Penalizing administrative violations in the field of insurance business

2.1 Acts of providing cross-border insurance auxiliary services by foreign individuals and organizations

A fine of VND 90 - 100 million for foreign individuals that provide cross-border insurance consultancy services in Vietnam, who are not citizens of the countries or territories to which Vietnam has a commitment to open the market for cross-border insurance consultancy services.

A fine of VND 180 to 200 for foreign organizations that provide cross-border insurance services in Vietnam and have no head office in the countries or territories to which Vietnam have a commitment to open the market for cross-border insurance auxiliary services.

In addition, foreign individuals or organizations providing insurance auxiliary services can be suspended for 03-06 months for any of the following violations:

- Provide cross-border insurance auxiliary services in Vietnam that fail to meet the requirements in Articles 93b.1 and 93b.2, as supplemented by Article 1.4 of the Law amending and supplementing a number of articles of the Laws on insurance business and intellectual property.
- Provide insurance auxiliary services inconsistent with the forms of insurance auxiliary service allowed to be provided as prescribed by law.

During the suspension from insurance auxiliary service provision under the Decision on sanctioning administrative violations, if foreign individuals or organizations continue to commit the said violations, they will be suspended from providing cross-border insurance consultancy services in Vietnam for 6-12 months.



2.2 Acts of providing insurance auxiliary services by individuals and organizations that provide those services

A fine of VND 20 to 30 million for any of the following violations committed during the provision of insurance auxiliary services:

- Fail to keep customer information confidential or use customer information for improper purposes or provide information to third parties without the customer's consent, except in accordance with the law.
- Insurance auxiliary service providers provide the services of assessing insurance damage and settling insurance claims for the insurance policies in which they are also the insurance buyers, the insured or the beneficiaries.
- Insurance broker enterprises provide the damage assessment services for the insurance policies for which they are in charge of the arrangements.
- Fail to comply with the technical standards in the field of insurance auxiliary service.
- Contracts for provision of insurance auxiliary service are not made in writing.

A fine of VND 60 to 70 million for any of the following violations committed during the provision of insurance auxiliary services:

- Provide insurance auxiliary services without fulfilling the conditions for providing insurance auxiliary services as prescribed by law. In addition, individuals providing insurance auxiliary services different from the permitted form of insurance auxiliary service will be subject to a further penalty of revoking the Certificate of insurance consultancy for 01-03 months.
- Organizations without legal status providing one of the following insurance auxiliary services: Insurance risk assessment, insurance actuarial service, insurance damage assessment, insurance claim settlement assistance.

In addition, individuals and organizations providing insurance auxiliary services and committing the above violations will be subject to a further penalty of suspension from service provision for 01-03 months.

This decree comes into effect as from November 01, 2019



II. REGIONAL MINIMUM WAGES IN 2020

Regional minimum wages in 2020

On November 15, 2019, the Government issued Decree 90/2019/ND-CP, prescribing regional minimum wage levels applicable to employees working under labor contracts. Accordingly, from January 01, 2020, regional minimum wages increase by VND 150,000 - 240,000/person/month.

According to the Decree, regional minimum wage levels applicable to employees working in enterprises are as follows:

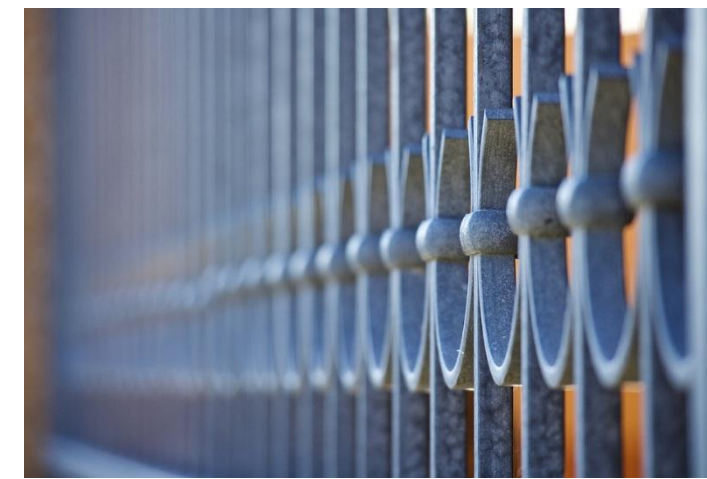
- Region I: VND 4,420,000/month (currently, VND 4,180,000/month).
- Region II: VND 3,920,000/month (currently, VND 3,710,000/month).
- Region III: VND 3,430,000/month (currently, VND 3,250,000/month).
- Region IV: VND 3,070,000/month (currently, VND 2,920,000/month).

The regional minimum wage is the lowest level as a basis for enterprises and employees to reach agreement on wage. For employees doing the jobs requiring vocational training and vocational skills, their salaries must be at least 7% higher than the regional minimum wage.

In addition, Decree 90/2019/ND-CP also includes a change in geographical areas to which regional minimum wages are applied, specifically:

- Moving from region III to region II: Dong Phu district (Binh Phuoc province); Ben Tre city, Chau Thanh district (Ben Tre province).
- Moving from region IV to region II: Dong Son district, Quang Xuong district (Thanh Hoa province), Nghi Loc district, Hung Nguyen district, Cua Lo town (Nghe An province), Ba Tri district, Binh Dai district and Mo Cay district (Ben Tre province).

This Decree 90/2019/ND-CP takes effect from January 01, 2020 and supersedes Decree 157/2017/ND-CP





III. IMPOSING PENALTIES FOR LAND-RELATED ADMINISTRATIVE VIOLATIONS

On 19 November 2019, the Government issued Decree 91/2019/ND-CP (“Decree 91”) replacing Decree 102/2014/ND-CP dated 10 November 2014 (“Decree 102”) on sanctioning administrative violations in the field of land.

Decree 91 includes 04 Chapters, 44 Articles regulating administrative violations, the form of sanction, the statute of limitations for sanctioning, the degree of sanctioning accompanied by remedial measures, and the competence to make records and sanction of administrative violations in the field of land. The Decree has some notable points as follows:

Subjects to be sanctioned for administrative violations

These subjects include those who commit administrative violations specified in this Decree occurring in the territory of the Socialist Republic of Vietnam, except where the international treaties to which Vietnam is a signatory prescribe otherwise, as follows:

Individuals: households, population communities, Vietnamese and foreign individuals, Vietnamese people residing overseas;

Organizations: domestic organizations, foreign organizations, foreign-invested enterprises, religious establishments.

Some cases of note to land users

• **Land users to whom the State leases out land and who pay annual land rent to invest in the construction of infrastructure of industrial parks, industrial complexes, export processing zones, to sublease the land, but have sub-leased the land by the method of payment of lump-sum land rent from the effective date of the Land Law 2013**

A fine of between VND 10-100 million shall be imposed for cases where the violated land area is less than 0.5 hectare to under 5 hectares.

A fine of from VND 100-200 million shall be imposed for cases where the violated land area is 5 hectares or more.

• **Transfer of land use rights in the form of subdivision and sale of land plots in housing investment and construction projects**

Accordingly, the case of an individual or organization transferring land use rights in the form of subdivision or sale of the land in a project on construction of residential houses for sale or sale in combination with lease has not been approved by the provincial-level People’s Committee under Point a, Article 194.1 of the Land Law, the sanctioning form and level are as follows:

• A fine of VND 20 to 100 million shall be imposed for the area of land transferred under 0.5 hectare to less than 03 hectares

• A fine of VND 200 to 500 million shall be imposed for the area of land transferred from 03 hectares or more.

In case of transfer of land use rights in the form of land plots or sale of houses in projects on construction of residential houses for sale or sale in combination with lease, **failing to meet two or more conditions:** (i) In consistence with annual district-level land use plans; (ii) Project investors must complete the construction of infrastructure including service works, technical and social infrastructure works according to the 1/500 construction detailed plan already approved; ensure connection with the common infrastructure system of the area before transferring the land use right to people to build houses by themselves; ensure the supply of essential services including electricity supply, water supply, drainage and waste collection; then the sanctioning form and level are as follows:

- A fine of VND 50 to 500 million shall be imposed for the transferred land area of less than 0.5 hectare to less than 03 hectares
- A fine of VND 500 million to 1 billion shall be imposed on the area of land transferred from 03 hectares or more.

In case of transfer of land use rights associated with the transfer of a part or the whole of an investment project without a certificate, the land in dispute, or the land distrained to ensure the execution of a court judgment, the land whose use-term has expired but not extended by a competent state agency, with the land-related financial obligations not yet fulfilled for the transferred land area, the following sanctioning forms and levels are as follows:

- A fine of VND 50 to 500 million shall be imposed for the transferred land area of less than 01 hectare to less than 5 hectares; A fine of VND 500 million to 1 billion shall be imposed for the area of land transferred from 05 hectares or more.
- A fine of VND 50 to 100 million shall be imposed for transfer of land use rights associated with the transfer of a part of the whole of an investment project in which the assignee does not have business lines appropriate for the purpose of land use, objectives of the investment project; ...

Decree 91 has added many new points, consistent with the reality and the forms of administrative sanctions tending to aggravate, this Decree takes effect from 5 January 2020 and hopefully it will be implemented effectively to prevent and handle violations in the field of land. Decree 91 regulates that the statute of limitations for sanctioning administrative violations in the field of land is 2 years.

VI. SANCTIONING ADMINISTRATIVE VIOLATIONS IN THE FIELD OF MONEY AND BANKING



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REMARKABLE REGULATIONS

On 14 November 2019, the Government issued Decree 88/2019/ND-CP ("Decree 88") replacing Decree No. 96/2014/ND-CP dated October 17, 2014 ("Decree 96") on sanctioning administrative violations in the field of money and banking.

Decree 88 consists of 04 Chapters and 59 Articles, amending, supplementing and abolishing a number of articles of Decree 96 in order to overcome a number of limitations thereby contributing to the effective enforcement of the legal provisions in the field of money and banking. The Decree has some notable points as follows:

Violating the regulations on foreign exchange activities

A new point of Decree 88 stipulating the level of caution when committing acts of violations such as buying and selling foreign currencies valued at less than USD 1,000 (i) between individuals; (ii) at an organization not allowed to collect foreign currencies; (iii) payment of goods and services in foreign currencies in violation of law. In case of repeated violations, a fine of VND 10 to 20 million will be imposed.

This fine level also applies to one of the following violations:

- Buying and selling foreign currencies valued between USD1,000 and under USD10,000 (or other foreign currencies of equivalent value): (i) between individuals; (ii) at an organization not allowed to collect foreign currencies;
- Paying for goods and services in foreign currencies valued from USD 1,000 to under USD 10,000 (or other foreign currencies of equivalent value) in violation of law.

Violating regulations on information technology safety in banking activities

Accordingly, violators may be subject to a fine of VND 10 - VND 20 million for one of the following violations: (i) Failure to assess information technology and operational risks in advance when using information technology services provided by third parties in accordance with the provisions of law; (ii) Do not conduct security assessment of information systems that provide online trading services to customers before being officially put into operation.



Besides, for the following violations, a fine of VND 20 to 30 million can be imposed:

- Not disseminating and updating the organization's information security regulations for all individuals in the organization at least once a year;
- Failure to perform or insufficiently perform backups to ensure data safety as prescribed by law;
- Do not deploy network security solutions to control network connections, to detect and prevent network intrusion attacks for information systems that provide online transaction services to customers;
- Failure to authenticate customers who access the service when providing banking services on the Internet in accordance with law;
- Failure to instruct customers to take measures to ensure information safety and security when using Internet banking services;

Reduce the fine level when recording contractual prices in foreign currency

Compared to Decree 96, Decree 88 has reduced the fine level from VND 30,000,000 to VND 50,000,000 for the violations of recording contractual prices in foreign currency, specifically: quotation, pricing, pricing in contracts, agreements, listing, advertising of goods, services, land use rights and other similar forms (including conversion or adjustment of goods prices, services, value of contracts, agreements) in foreign currencies; ...

Penalties for opening bank cards for others

For the first time, the Vietnamese Government stipulates a fine for opening a bank card (ATM, Visa or MasterCard...) for others. Accordingly, individuals and organizations that help to open 10 cards or more for other people but not up to the level of being examined for penal liability will be subject to a fine of VND 50 - 100 million.

In general, the penalties are changed in the direction of reduction compared to the old regulations and the maximum penalty for violations in the field of money and banking for organizations is VND 2 billion, for individuals is 1 billion. The fine level for violations committed by individuals working at the people's credit funds or small financial institutions is equal to 10% of the fine levels prescribed in Chapter II of Decree 88; the fine level for the people's credit funds, small financial institutions and dependent units of these organizations is equal to twice the fine level for individuals who work at the people's credit funds or small financial organizations.

The competence to impose fines on organizations is equal to 2 times the competence to impose fines on individuals.

Decree 88/2019/ND-CP takes effect from December 31, 2019.



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READING FOR YOU



Highlight: 11 laws have just been passed by the National Assembly at the 8th session



Starting from November 21, 2019 to November 26, 2019, after many discussions, the National Assembly has officially voted to pass 11 Laws, specifically as follows:

1. Labor Code (amended) (effective from 1 January 2021)

The Labour Code has some new points such as: Increasing retirement age to 62 years old for men, 60 years for women; 2 days off for the National Day; seasonal labour contracts are not accepted; Recognise the form of electronic labour contract; Allow to sign definite-term labour contracts with the elderly many times; Increasing overtime working hours in a month to 40 hours; Employees are allowed to unilaterally terminate contracts without cause; Allow to authorize others to receive salary, ...

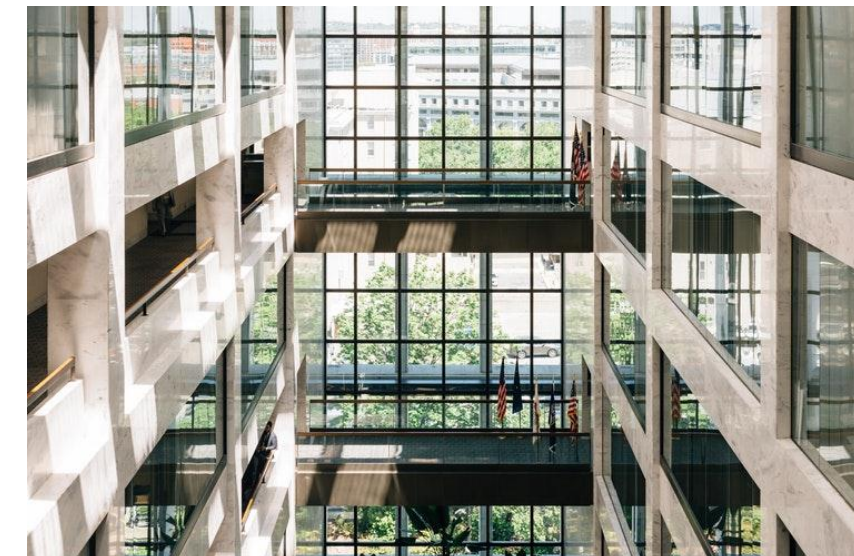
2. Law amending and supplementing a number of articles of the Law on Cadres and Civil Servants and the Law on Officials (takes effect from 1 July 2020)

- **For cadres and civil servants:** Supplementing the regulation that cadres and civil servants who are absent from work or retire may still be disciplined, one of the forms of discipline being "to remove the post of the position they have assumed".
- **For officials:** Abolishing the regime "lifetime payroll" for officials, assessing their performance through specific products, jobs ...

3. Law amending and supplementing a number of articles of the Law on Organization of the Government and the Law on Organization of Local Governments (takes effect from 1 July 2020)

This Law amends and supplements many remarkable contents such as:

- Reduce the number of People's Council deputies
- Add some rights to the Government, the Prime Minister
- People's Council deputies are required to have at least 01 person of Vietnamese nationality ...



4. Library Law (takes effect from 1 July 2020)

Library Law has many new points compared to the past, including:

- Taking 21 April every year as the Date of Vietnamese Books and Reading, aiming to develop a society with reading habit and culture;
- Expanding the subjects allowed to establish libraries: Not only Vietnamese organizations but also domestic organizations and individuals, Vietnamese residing abroad, foreign organizations and individuals living and working in Viet Nam...

5. Law on Exit and Entry of Vietnamese citizens (takes effect from July 1, 2020)

The passed law consists of 9 chapters and 52 Articles, stipulating the duration of immigration documents, some rights of citizens related to immigration, such as choosing a place to issue passports, and choosing where the passport is returned ...



Highlight: 11 laws have just been passed by the National Assembly at the 8th session

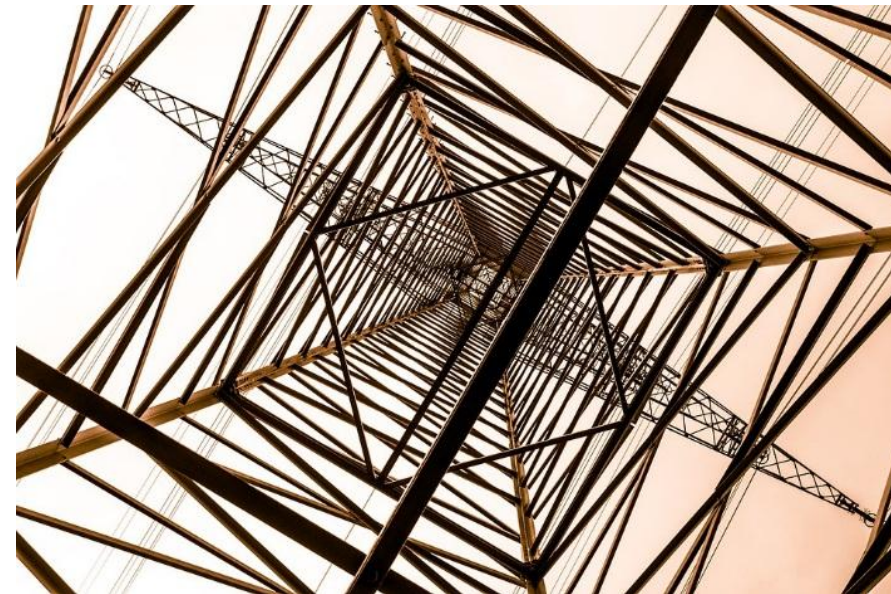


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Starting from November 21, 2019 to November 26, 2019, after many discussions, the National Assembly has officially voted to pass 11 Laws, specifically as follows:

6. Law on The Reserve Force (takes effect from 1 July, 2020)

This Law has 5 chapters and 41 Articles passed in the afternoon of November 26, 2019 providing for building and mobilizing reserve forces; Regimes, policies and responsibilities of agencies, organizations and individuals in building and mobilizing reserve forces ...



9. The Law on Militia and Self-Defense Force (amended) (takes effect from 1 July, 2020)

- Adding 04 more cases where the military and self-defense service obligation can be postponed such as: Men alone raise children under 36 months old; Having a spouse who is a civil servant, an officer, or a defense worker serving in the army or police.
- Persons who have decided to recruit civil servants, public employees, defense workers or people's police officers are discharged from their obligations ahead of time ...

7. Law on entry, exit, transit, and residence of foreigners in Vietnam (amended) (takes effect from 1 July, 2020)

The outstanding content of this Law is the stipulation that visa's purpose can be converted, and value of the visa; cases of visa exemption without further conditions ...



10. State Audit Law (amended) (takes effect from 1 July, 2020)

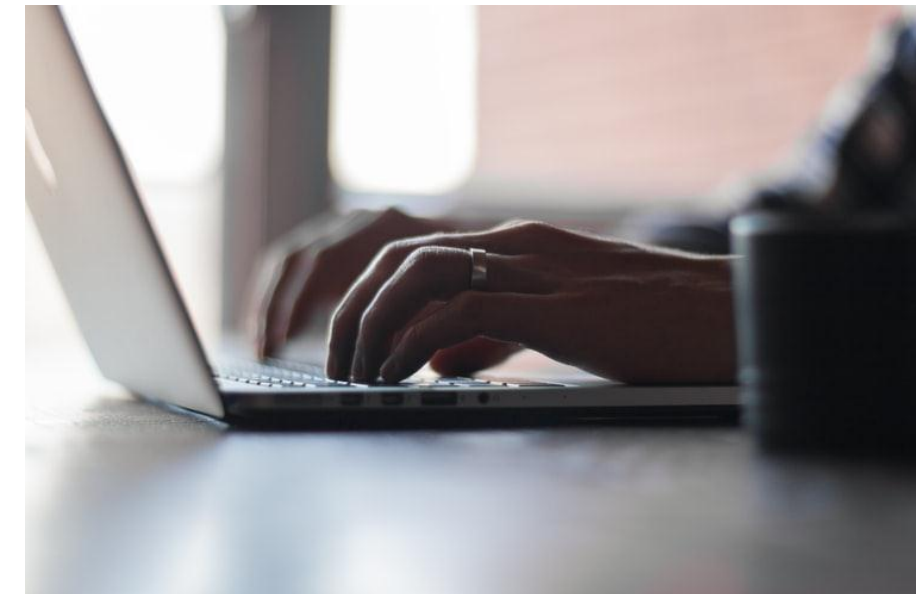
The outstanding content is that the State Audit Office has the right to make audit decisions without "signs of corruption" because giving signs of corruption will be difficult to implement.

In order to ensure consistency, this amended Law also supplements the grounds for issuing audit decisions as well as the State audit regulations competent to sanction administrative violations.

8. Securities Law (amended) (effective from 1 January 2021)

This Law consists of 10 chapters and 135 Articles with some outstanding contents such as:

- Increase the charter capital for a company to be publicly offered. Accordingly, the company must have a charter capital of VND 30 billion instead of VND 10 billion previously;
- Increasing the charter capital of public companies to at least VND 30 billion compared to the current VND 10 billion, at least 100 shareholders must hold at least 10% of the total shares ...



11. Law on Management and Use of Firearms, Explosive Materials and Supporting Tools (amended) (effective from 10/01/2020)

This Law has amended and supplemented Articles 3.2 and 3.6 with the stipulation that military weapons include 05 types together with the identification of weapons with similar functions and effects.



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ANSWERS TO LEGAL ENQUIRIES



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Guiding the payment of social insurance, health insurance, unemployment insurance, labor accident and occupational disease insurance premiums from January 01, 2020

Ho Chi Minh City Social Insurance Agency guides the payment of social insurance (SI), health insurance (HI), unemployment insurance (UI), labor accident and occupational disease insurance (LAODI) premiums as follows:

1. From January 01, 2020, employers must review the wages stated in labour contracts as the basis for payment of SI, HI, UI and LAODI premiums for each employee to be consistent with the salary scale and payroll set out.

The new regional minimum wages are applied as follows:

- The level of VND 4,420,000/month applicable to units and enterprises operating in the localities of Cu Chi, Hoc Mon, Binh Chanh and Nha Be districts.
- The level of VND 3,920,000/month, applicable to units and enterprises operating in the locality of Can Gio district.

If an enterprise operating in Ho Chi Minh City has branches operating in geographical areas with different minimum wage levels, their branches or units will apply the minimum wage accordingly prescribed for the geographical areas where they operate.

2. Enterprises must implement the salaries agreed in labor contracts and pay SI, HI, UI, and LAODI premiums as follows:

- Not to be lower than the area minimum wage for employees doing the most simple jobs;
- For employees who have passed vocational training or apprenticeship, their salaries must be at least 7% higher than the regional minimum wage.

3. By February 28, 2020, employers must submit dossiers of adjustment of salaries for payment of SI, HI, UI, and OA-DI premiums to employees based on the new regional minimum wages.

Past that time limit, if employers have not adjusted it, the SI agency will temporarily adjust the salary paid for SI, HI, UI, and LAODI to be equal to the new regional minimum wage for employees doing simple jobs and an additional 7% for employees who have completed vocational training until they have prepared a dossier for adjustment as prescribed.

4. The SI agency only certifies the process of SI and UI and settle the regimes when employers prepare dossiers of adjustment of regional minimum wage in accordance with the above provisions.

Guidelines are provided in Official Letter No. 2781/BHXH-QLT dated November 29, 2019 of the Ho Chi Minh City Insurance Society.

Using electronic and pre-printed invoices in parallel

During the period from November 1, 2018 to October 31, 2020, Decrees: No. 51/2010/ND-CP and No. 04/2014/ND-CP of the Government providing for invoices for selling goods and providing services are still valid.

During the above period, if the tax authority does not notify enterprises to switch to electronic invoices in accordance with Decree 119/2018/ND-CP, enterprises will still use electronic invoices as prescribed in the Decree No. 51/2010/ND-CP, Decree No. 04/2014/ND-CP and their guiding documents. Enterprises may use different types of invoices at the same time as prescribed in Article 1.2 of Decree 04/2014/ND-CP. The State encourages the use of electronic invoices.

In case enterprises still have pre-printed invoices pending issuance and still need to use pre-printed invoices due to their actual conditions, they may continue to use pre-printed invoices as stipulated in the provisions of Decree No. 51/2010/ND-CP and Decree No. 04/2014/ND-CP of the Government.

Guidelines are provided in Official Letter No. 90282/CT-TTHT dated December 02, 2019 of the Ha Noi City Tax Department.

Tax administration over the disposal of liquidated vehicles

If an individual wins any vehicle disposal auction and does not use it (without registration) but resells it to another individual, such individual will issue an invoice in the following specific cases:

Case 1: If an individual who wins the liquidated vehicle auction is an individual businessman who stably pays presumptive tax in the year and has a turnover of more than VND 100 million/year, when he/she sells the liquidated vehicle (not registered yet in his name) to another individual, the winning bidder must issue an invoice to the buyer and declare and pay tax according to regulations on presumptive tax paying household businesses by using invoices guided in Circular No. 92/2015/TT-BTC of June 15, 2015 of the Ministry of Finance.

Case 2: If an individual winning the vehicle disposal auction is an individual businessman who stably pays a presumptive tax in the year and has a turnover of VND 100 million/year or less, and if such winner resells the liquidated vehicle (not yet registered in his name) to another individual, the winning individual is not allowed to use the invoice of the tax authority under the guidance of Circular 39/2014/TT-BTC dated March 31, 2014 of the Ministry of Finance.

Case 3: If the winner of the vehicle disposal auction is an individual businessman who pays tax on each arising occasion, and if such winner resells the liquidated vehicle (not yet registered in his name) to another individual, the winning individual is eligible to issue a single invoice under the guidance of Circular 39/2014/TT-BTC dated March 31, 2014 of the Ministry of Finance.

Guidelines stated in Official Letter No. 4743/TCT-DNNCN dated November 19, 2019 of the General Department of Taxation.

Contractor tax policy

In case the parent company in a foreign country earns monthly fixed income in Vietnam from allowing its subsidiary company in Vietnam to use the software copyright, this activity is subject to contractor tax under the guidance in Circular No. 103/2014/TT-BTC dated 06/08/2014 of the Ministry of Finance.

In case the parent company in a foreign country fails to meet one of the conditions specified in Article 8 of Circular No. 103/2014/TTBTC, its subsidiary company in Vietnam is responsible for deducting the contractor tax before paying the cost of software licensing to the parent company.

CIT: applying a CIT rate of 10% on taxable revenue from copyright income as prescribed in Article 13.2 of Circular No. 103/2014/TT-BTC.

VAT: income received by the parent company in a foreign country is the income from providing software copyright and belonging to software services as prescribed in Article 9 of Decree No. 71/2007/ND-CP, Article 4 of Circular No. 219/2013/TT-BTC, then those activities are not subject to VAT.

Guidelines are provided in Official Letter No. 88466/CT-TTHT dated November 25, 2019 of the Ha Noi City Tax Department.



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LIST OF LEGAL DOCUMENTS ISSUED IN THE MONTH

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NO.	DOCUMENT TITLE	ISSUANCE DATE	EFFECTIVE DATE
NATIONAL ASSEMBLY			
1	Law amending and supplementing a number of articles of the Law on State Audit, No. 55/2019/QH14	26/11/2019	01/07/2020
2	Law on Securities, No. 54/2019/QH14	26/11/2019	01/01/2021
3	Law on reserve forces, No. 53/2019/QH14	26/11/2019	01/07/2020
4	Resolution 94/2019/QH14 on suspending the payment of tax debts, writing off fines over late payment, late payment interests against taxpayers unable to pay the state budget.	26/11/2019	01/07/2020
5	Law amending and supplementing a number of articles of the Law on Officials and Civil Servants, Law on Public Employees, No. 52/2019/QH14	25/11/2019	01/07/2020
6	Law amending and supplementing a number of articles of the Law on entry, exit, transit, and residence of foreigners in Vietnam, No. 51/2019/QH14	25/11/2019	01/07/2020
7	Law amending and supplementing a number of articles of the Law on management and use of weapons, explosives and combat supporting tools, No. 50/2019/QH14	25/11/2019	10/01/2020
8	Law on Exit and Entry of Vietnamese citizens, No. 49/2019/QH14	22/11/2019	01/07/2020
9	Law on Militia and Self-Defense Forces, No. 48/2019/QH14	22/11/2019	01/07/2020
10	Law amending and supplementing a number of articles of the Law on Organizing the Government and Law on organizing the local Government, No. 47/2019/QH14	22/11/2019	01/07/2020
11	Law on Library, No. 46/2019/QH14	21/11/2019	01/07/2020
	Labour code, No. 45/2019/QH14	20/11/2019	01/01/2021

NO.	DOCUMENT TITLE	ISSUANCE DATE	EFFECTIVE DATE
MINISTRY OF FINANCE			
1	Circular 81/2019/TT-BTC regulating the risk management in customs operations	15/11/2019	01/01/2020
2	Circular 80/2019/TT-BTC on guiding customs procedures, management of taxes, costs and fees over imports and exports under Governmental Decree No. 14/2018/ND-CP dated January 23, 2018 detailing the border trade activities	15/11/2019	01/01/2020
MINISTRY OF INDUSTRY AND TRADE			
1	Circular 37/2019/TT-BCT detailing a number of contents on trade remedies	29/11/2019	15/01/2020
2	Circular 28/2019/TT-BCT on amending and supplementing a number of articles of Circular 57/2018/TT-BCT dated December 26, 2018 of the Ministry of Industry and Trade detailing a number of articles of Decrees related to tobacco business	15/11/2019	01/01/2020
3	Circular 27/2019/TT-BCT prescribing the list of scraps subject to temporary suspension from temporary import, re-export and border-gate transfer.	15/11/2019	01/01/2020
4	Circular 26/2019/TT-BCT providing for the declaration form for household businesses and individuals to manually produce liquor for non-business purposes	14/11/2019	01/01/2020
5	Circular 25/2019/TT-BCT on amending and supplementing a number of articles Circular 22/2016/TT-BCT dated October 03, 2016 of the Minister of Industry and Trade on the implementation of the Rules of Origin under the ASEAN Trade in Goods Agreement	14/11/2019	01/01/2020
MINISTER OF CULTURE, SPORTS AND TOURISM			
1	Circular 13/2019/TT-BVHTTDL amending and supplementing a number of articles of Circular 06/2017/TT-BVHTTDL dated December 15, 2017 of the Ministry of Culture, Sports and Tourism detailing a number of articles of the Law on Tourism	25/11/2019	20/01/2020
2	Circular 12/2019/TT-BVHTTDL abolishing a number of legal normative documents jointly enacted by Minister of Culture and Minister of Information	19/11/2019	15/01/2020

NO.	DOCUMENT TITLE	ISSUANCE DATE	EFFECTIVE DATE
GOVERNMENT			
1	Decree 93/2019/ND-CP on the organization and operation of social funds and charity funds	25/11/2019	15/01/2020
2	Decree 91/2019/ND-CP on penalties for administrative violations against the regulations on land	19/11/2019	05/01/2020
3	Decree 90/2019/ND-CP prescribing area minimum wage levels applicable to employees working under labour contracts	15/11/2019	01/01/2020
4	Decree 89/2019/ND-CP on amending and supplementing a number of Articles of the Governmental Decree 92/2016/ND-CP dated July 01, 2016 prescribing the conditional business lines in civil aviation and the Governmental Decree 30/2013/ND-CP dated April 08, 2013 on air transportation and general air operation	15/11/2019	01/01/2020
5	Decree 88/2019/ND-CP on penalties for administrative violations against currency and banking regulations	14/11/2019	31/12/2019
6	Decree 87/2019/ND-CP on amending and supplementing a number of articles of Decree 116/2013/ND-CP of October 4, 2013, detailing the implementation of a number of articles of the Anti-Money Laundering Law	14/11/2019	14/11/2019
7	Decree 86/2019/ND-CP on promulgating the legal capital level of credit institutions, foreign bank branches	14/11/2019	15/01/2020
8	Decree 85/2019/ND-CP regulating the implementation of administrative procedures under national and ASEAN single window mechanism and the specialized inspection of imports and exports	14/11/2019	01/01/2020
9	Decree 84/2019/ND-CP on fertilizer management	14/11/2019	01/01/2020
10	Decree 82/2019/ND-CP on importing used marine vessels for dismantlement	12/11/2019	30/12/2019
11	Decree 80/2019/ND-CP on amending and supplementing a number of articles of Decree 73/2016/ND-CP dated July 1, 2016 of the Government detailing the implementation of the Law on Insurance Business and the Law on amending and supplementing a number of articles of the Law on Insurance Business; Decree 98/2013/ND-CP dated August 28, 2013 of the Government on penalties for administrative violation in insurance business and lottery business, which has amended and supplemented a number of articles of Decree 48/2018/ND-CP dated March 21, 2018 of the Government	01/11/2019	01/11/2019

NO.	DOCUMENT TITLE	ISSUANCE DATE	EFFECTIVE DATE
STATE BANK OF VIETNAM			
1	Circular 24/2019/TT-NHNN regulating the re-financing by credit institutions in the form of sub-lending under credit application files	28/11/2019	18/01/2020
2	Circular 23/2019/TT-NHNN on amending and supplementing a number of articles of Circular 39/2014/TT-NHNN dated December 11, 2014 of the Governor of the State Bank of Vietnam providing guidance on payment intermediary service	22/11/2019	07/01/2020
3	Circular 22/2019/TT-NHNN on limits and adequacy ratios in the operations of banks, foreign bank branches	15/11/2019	01/01/2020
4	Circular 20/2019/TT-NHNN on amending and supplementing a number of articles of Circular 35/2013/TT-NHNN dated December 31, 2013 guiding the implementation of a number of provisions on anti-money laundering	14/11/2019	14/11/2019



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