### TRADE OFFICE VIET NAM EMBASSY IN NEW ZEALAND (VTO)





### **NEWSLETTER, NUMBER 42-NOVEMBER 2018**

### DOING BUSINESS IN THE YEAR OF 2018

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### **FOCUS**

## INVITATION TO BUSINESS BREAKFAST EVENT

**VTO** - The Trade Office, Viet Nam Embassy, Wellington Chamber of Commerce and ASEAN-New Zealand Business Council have joined together to bring you the Trade Talk with CPTPP Chief Negotiators Business Breakfast.

Our Business Breakfast Event is an opportunity for New Zealand businesses to hear directly from the leaders of the Ministry of Industry and Trade of Viet Nam and the Ministry of Foreign Affairs and Trade of New Zealand about their thoughts on Viet Nam's and New Zealand's policies on the international economic integration

process, including the multilateral trading system (WTO) and the negotiation of FTAs involving New Zealand and Viet Nam (AANZFTA, CPTPP, RCEP). This will be a great opportunity for businesses to understand the benefits brought about by these FTAs.

### **Speakers at the event:**

**From Viet Nam**: The Chief Negotiator for CPTPP and Vice Minister of Industry and Trade, Tran Quoc Khanh. Khanh is also the Chief Negotiator of the Government of Vietnam's Trade Negotiation Team. In this capacity, he oversees all FTA negotiations of Viet Nam. He has been playing a vital role in Viet Nam's economic integration process

since day one with the negotiation of Viet Nam's accession into the WTO, CPTPP, Viet Nam-EU FTA and other FTA negotiations.

From New Zealand: The Chief Negotiator for CPTPP and Deputy Secretary (Trade and Economic), MFAT, Vangelis Vitalis. He was also New Zealand's Chief Negotiator for the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA; 2008–10), FTA negotiations with the Customs Union of Armenia, Belarus, Russia, Kazakhstan and Kyrgyzstan. He was also part of the negotiating teams for the FTA with China and the precursor to the Trans-Pacific Partnership Agreement, the Pacific-Four FTA.

Venue: Wellington Chamber of Commerce, Level 7, 3-11 Hunter Str. Wellington

**Prices**: Free of charge

#### VIETNAM ORGANIC RICE SHOWCASED AT GO GREEN EXPO

**VTO** - From 10-11 October, the Trade Office, Embassy of Vietnam in New Zealand have selected Integrity Plus Limited to organize an exhibition booth at the Go Green Expo 2018 in Wellington, New Zealand to promote green and clean products of Vietnam to New Zealand consumers. The products showcased in this Expo include OrgaGro organic rice, T-Bros brand cocoa powder, workwear, fiber bags, and products made from coconut fibers.

The Vietnam booth, which boasted the logo VietNam Organic Rice, attracted the attention of many visitors with detailed information about rice and cocoa powder products. Visitors had the opportunity to try seven types of organic rice cooked on spot such as Jasmine Rice, Ngoc An, Phu Quy, Japonica (sushi rice), Jasmine Rice, Purple Vinegar and T-Bros cocoa. Visitors appreciated the superior quality and reasonable price of organic rice products of Vietnam.

Integrity Plus Limited is the sole distributor of these products in the New Zealand market. The expo is a chance for the company to test market demand before entering the retail supply chain. All 7 Orgago organic rice products from Vietnam will be put into supermarket chain of Foodstuffs, one of the two largest retailers in New Zealand in the beginning of 2019.

Go Green Expo 2018 is an annual exhibition of green and sustainable lifestyles. This exhibition attracts hundreds of enterprises as well as representatives of distributors and importers who come to explore the various green and clean products exhibited. The exhibition also attracted many visitors.

#### VN BECOMES 7TH MEMBER OF CPTPP TRADE

VET- Vietnam has become the seventh member country to officially ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and

relevant documents after the National Assembly (NA) passed a resolution on November 12.

Chairman of the NA's Economic Commission Mr. Nguyen Van Giau said that the ratification is an important political decision expected to increase the country's response capability to the global economy and speed up negotiations over and the signing of other free trade agreements.

Mr. Giau recommended the government provide specific explanations on the establishment of organizations for workers and the leadership of the Party and the Vietnam General Confederation.

To ensure implementation of the agreement, the government has instructed ministries and agencies to review and complete a list of laws, ordinances, and decrees that need amending, to make them suitable to commitments made in the CPTPP.

The list names eight laws and four government decrees that need to be amended and supplemented and proposes seven new documents (six decrees and one Prime Ministerial decision). The list also recommends participation in three international treaties.

During the enforcement of the CPTPP, the government will continue to review legal documents to make timely amendments and supplements.

Deputy Prime Minister and Foreign Minister Pham Binh Minh said at an early-November conference that the CPTPP would benefit Vietnam due to the fact that the trade pact would cover 13.5 per cent of global GDP. Vietnam's GDP would grow by 1.32 per cent and its exports 4.04 per cent by 2035.

Free trade agreements with CPTPP countries would help to restructure the country's import-export market in a more balanced way, thereby enhancing the autonomy of the economy. The country would also have the opportunity to participate in the supply chain established after the CPTPP is in effect; an important condition for improving the level of economic development.

Commitments in the CPTPP would improve the country's business environment and attract more FDI, Deputy Prime Minister Minh said.

The number of jobs would increase by 20,000-26,000 a year under the trade pact, while the poverty rate would fall, the report said.

#### RCEP CONCLUSION DELAYED

**VTO** – The 2<sup>nd</sup> Summit of the Regional Comprehensive Economic Partnership (RCEP) was held on 14 November 2018 in Singapore with the participation of the Heads of

State/Government of the RCEP Participating Countries – the ASEAN Member States and ASEAN's free trade agreement (FTA) partners: Australia, China, India, Japan, Korea, and New Zealand.

The leaders welcomed the substantial progress made in RCEP negotiations in 2018 and determined to conclude RCEP in 2019, noting that the task to conclude the RCEP negotiations is becoming more urgent and significant given the current headwinds faced by the global economy.

The leaders also welcomed the conclusion of 7 Chapters to date, namely the Chapters on Economic and Technical Cooperation, Small and Medium Enterprises, Customs Procedures and Trade Facilitation, Government Procurement, Institutional Provisions, Sanitary and Phytosanitary Measures, and Standards, Technical Regulations and Conformity Assessment Procedures.

Prior to the 2<sup>nd</sup> RCEP Summit, the 24<sup>th</sup> round of negotiations of the Regional Comprehensive Economic Partnership (RCEP) was held in Auckland, New Zealand from 18 to 27 October 2018, followed by a Ministerial meeting on 12 November in preparation for the 2<sup>nd</sup> RCEP Summit.

#### ASEAN MINISTERS SIGN AGREEMENT ON E-COMMERCE

**VNS** - Economic ministers from the Association of Southeast Asian Nations (ASEAN) on Thursday signed an agreement to facilitate cross-border e-commerce transactions within the region.

The agreement, finalised after nine rounds of negotiations which started last June, is the grouping's first agreement on e-commerce.

It was signed on the sidelines of the 17th ASEAN Economic Community (AEC) Council Meeting in Singapore.

Apart from facilitating cross-border e-commerce transactions, the pact will also look to foster an environment of trust and confidence in the use of e-commerce as well as enhance collaboration in promoting the regional economic growth.

Speaking that the signing ceremony, Singapore Trade and Industry Minister Chan Chun Sing said that ASEAN is now the fastest growing market in the world, with 330 million Internet users.

By 2025, ASEAN's Internet economy is forecast to increase four-fold, reaching US\$200 billion compared to 2017, with e-commerce set to grow to \$88 billion.

"The agreement is testament to ASEAN's commitment to create a conducive environment for the growth of e-commerce through advancing trade rules in e-commerce and building up greater digital connectivity within the region," he said.

It will encourage paperless trading between businesses and governments, which can generate more rapid and efficient transactions in ASEAN. Businesses can access and move data across borders more easily, subject to appropriate safeguards, he added.

## IMPROVING BUSINESS ENVIRONMENT & NATIONAL COMPETITIVENESS

**VGP** - The Government enacted Resolution No. 19/2018/NQ-CP ("Resolution 19") maintaining implementation of the main tasks and solutions for improving the business environment and the national competitiveness in 2018 and the following years.

**Question**: What are the measures for improving the business environment and the national competitiveness after 4 years of implementation, and sets out the objectives and criteria for the year 2018?

**Answer:** Eliminating and simplifying 50% of the conditions on investment and business

One of the targets that the Government has set out for the year 2018 is to finish abolishing and simplifying 50% of the conditions on investment and business and proposes removing some conditional business lines from the list of conditional business lines of the Investment Law.

The business lines which are proposed to be removed from the List of conditional business lines must be submitted to the Standing Committee of the National Assembly before October 2018. Accordingly, the draft Law on amending and supplementing some articles of the Investment Law and Enterprise Law will be submitted to the Government for consideration in June 2019.

# Reducing at least 50% of the list of goods and products subject to specialized inspection

Along with the reduction of business conditions, the Government also requests ministries and trades to reduce at least 50% of the list of goods and products subject to specialized inspection in all fields in 2018.

The reduced list of goods and products must contain the responding HS codes as prescribed in the list of imports and exports. At the same time, the Government also requests a drastic change to the state management of pre-inspection to post-inspection; essentially ending the practice where a goods category is subject to specialized inspection

by more than one agency; and reducing the percentage of imports subject to specialized inspection at the customs clearance stage from 25-27% to under 10%.

### Reducing at least 50% of the fee for declaring an enterprises' information

Under Resolution 19, the Ministry of Planning and Investment takes responsibility for combining the declaration of enterprises' information into the registration of enterprise establishment before June 2018; and proposes reducing at least 50% of the fee for declaring enterprises' information.

# Cutting the time for implementing administrative procedures by some ministries and trades

According to this Resolution, the Ministry of Finance takes responsibility for maintaining the measures to improve the tax-paying index in accordance with the set target, striving to reduce the tax-paying time (exclusive of the time for social insurance premium payment) to 119 hours; disclosing the database on tax refund, ensuring to inspect 100% tax refund dossiers under the category that must be inspected, and striving, by the year 2020, to settle 100% tax payers' complaints in the time limit set by law.

In addition, the Ministry of Natural Resources and Environment will assume the prime responsibility for coordinating with ministries, provincial people's committees, and cities under central authority to implement the necessary measures to reduce the time for registering ownership and use of properties to 20 days; abolishing unnecessary documents, simplifying contents in dossiers, simplifying procedures, using the connected electronic system to settle administrative procedures for issuing certificates of land use rights, land allocation and lease, land registration, and construction work ownership with a determination of financial obligations on land.

## VIETNAM SPENDS OVER US\$140 MILLION MONTHLY ON IMPORTING FRUIT AND VEGETABLES

**VOV**- Vietnam spent more than US\$1.43 billion on importing fruit and vegetables during the first 10 months of 2018, a year-on-year rise of 13.1%, according to the Ministry of Agriculture and Rural Development.

Of the figure, nearly US\$380 million was used to buy vegetables, up 36.5% from last year, while more than US\$980 million was spent on importing fruit, up 0.5% against the same period last year.

Thailand was the largest supplier of fruit and vegetables to Vietnam, accounting for 43.3% of total imports. China was second, making up 23.1% of imports.

Since the beginning of the year, imports of fruit and vegetables in most markets have grown, with the exception being Thailand. The US has enjoyed the strongest growth of 86%, trailed by the Republic of Korea (up 82%) and Chile (up 73%).

It's noteworthy that despite being the largest supplier, imports from Thailand dropped more than 17.4% during the first nine months of this year.

In the opposite direction, Vietnam's fruit and vegetable exports are estimated to be at US\$3.3 billion in the first 10 months of 2018, up 15.5% from the first 10 months of 2017.

### VIETNAM'S EXPORTS LIKELY TO HIT 239 BILLION USD THIS YEAR

**VNA**- The Ministry of Industry and Trade has forecast that Vietnam's total export revenue will grow 10-12 percent to hit a record of 239 billion USD for the whole year 2018, much higher than the set target of 214 billion USD.

According to the report, shipments of key products such as telephones and spare parts, garment and textiles, electronics, computers and spare parts, equipment and footwear during January-October continued to rise over the same time last year.

In stark contrast, steep decline was seen in the export of crude oil, which fell 24.8 percent year on year to 1.8 billion USD.

Vietnam raked in some 200.3 billion USD from exports in the period, or 14.2 percent higher than the amount earned in the same time in 2017. Of the total amount, 56.82 billion USD was contributed by domestic sector and 143.45 billion USD by foreign-invested sector.

The US remained the largest importer of Vietnam when it spent 39.17 billion USD purchasing products from the Southeast Asian country (up 13.4 percent year-on-year), followed by the EU with 34.6 billion USD (increasing 9 percent), China with 33.1 billion USD (growing 25.1 percent), ASEAN with 20.4 billion USD (expanding 13 percent), and Japan with 15.26 billion USD (rising 10.2 percent).

Also in the ten-month period, Vietnam splashed out 193.84 billion USD on imports, a year-on-year increase of 11.8 percent. Most of the purchased products were electronic products, computers and spare parts, equipment, telephones and spare parts, steel and petrol.

Experts said domestic production has shown signs of strong recovery as the rate of imports that need to be controlled only accounted for 6.5 percent of the total import revenue.

During January-October, the country enjoyed a trade surplus of 6.4 billion USD, with a trade deficit of 20.7 billion USD from the domestic sector, and 27.1 billion USD in trade surplus from the foreign-invested sector.

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU-Vietnam free trade agreement, which will take effect in the end of this year, have made Vietnam more attractive to foreign-direct investment. Domestic investment, sparked by business confidence, favourable business environment, stable monetary policy, is forecast to continue increasing to generate new production capacity together with foreign investment.

## LAWMAKERS APPROVE CONTINUED PILOT E-VISA ISSUANCE FOR FOREIGNERS

**VNA** - On November 22, 2016, the NA issued Resolution No.30/2016/QH14 on the pilot programme, which was scheduled to last until February 1, 2019.

According to a report at the 28th sitting of the NA Standing Committee, between February 2017 and August 31, 2018, Vietnam approved 298,113 e-visas for foreigners, of which 298,507 were self-submitted and 8,606 done by sponsoring organisations. As of August 31, there had been 241,875 e-visa holders entering Vietnam.

Presenting the Government's report on the implementation of the pilot programme, Deputy Minister of Public Security Le Quy Vuong said the outcomes showed that the policy has contributed to attracting foreigners to Vietnam for tourism and investment, forming a driving force behind the tourism sector.

Many diplomatic agencies of foreign countries in Vietnam applauded the policy, saying it facilitates the nation's external diplomacy amid global integration, Vuong added.

He proposed that the pilot scheme should be continued to provide the basis for a more complete assessment of the policy's impacts on local socio-economy, defence, security, and foreign diplomacy.

The official pointed to some existing shortcomings, which include the low number of e-visa holders entering Vietnam due to ineffective work on popularizing the policy, and the high number of countries yet to be subject to the policy.

According to Vuong, the extension of the pilot plan will help complete regulations on evisa issuance when amending the law on the entry, exit, transit, and residence of foreigners in Vietnam.

At the session, the NA's Defence and Security Committee requested that the Government direct the Ministry of Public Security and relevant agencies to review and assess the implementation of the law on the entry, exit, transit, and residence of foreigners in Vietnam, with a view to adding the law to the NA's law building programme for 2019.

Concluding the function, NA Vice Chairman Do Ba Ty announced a decision on the twoyear extension of the pilot programme, saying that during this period, the Government is required to prepare amendments to the immigration law for submission to the NA.

### **LEGAL UPDATE**

### **COMPETITION LAW 2019**

# Law No. 23/2018/QH14 dated 12/6/2018 of the National Assembly on Competition.

This Law stipulates acts that restrict competition or economic concentration acts which cause or threaten to restrict competition on the Vietnamese market; unfair competitive practices; legal proceedings and dealing with violations.

Compared with the current law, the new law will have wider coverage. In addition to businesses and professional associations the law is also applicable to public service organizations (Article 2).

In addition, the new law also added several agreements deemed to be restricting competition, such as: customer division agreements; agreements not to deal with non-parties to an agreement; agreements that limit the market for the sale of products, or the supply of goods and services to non-parties to an agreement (Article 11).

Regarding the criteria for identifying businesses, groups of businesses with dominant market position, in addition to their market share, the new Law also added the criteria of "significant market power", based on factors such as financial strength, size of business; advantages in technology, technical infrastructure; ownership, possession of or access to infrastructure etc. (Article 26).

The law takes effect on July 1, 2019 and replaces Competition Law No. 27/2004/QH11 dated 14/12/2004.

#### CONDITIONS FOR RICE EXPORT BUSINESS SHALL BE LOOSENED

# Decree No. 107/2018/ND-CP dated August 15th, 2018 of the Government on rice export business

In comparison with the earlier regulations, this Decree loosens requirements for obtaining a license for rice export business such as waving minimum capacity of rice warehouse, rice mill and allowing businesses to lease rice warehouse, rice mill from other businesses.

In addition, under this Decree, any trader that exports organic rice, parboiled rice and rice with micronutrients shall be exempt from obtaining licenses.

This Decree takes effect from October 1st, 2018 and abolishes Decree No. 109/2010/ND-CP dated November 4th, 2010.

## AMENDMENT TO MANY IMPORTANT REGULATIONS ON ENTERPRISE REGISTRATION

Decree No. 108/2018/ND-CP dated August 23rd, 2018 of the Government on amendments to some articles of the Government's Decree No. 78/2015/ND-CP dated September 14, 2015 on enterprise registration

One of the noticeable new points of this Decree is that an enterprise is not required to append a seal on the application form for enterprise registration, notification of changes of enterprise registration, resolutions, decisions and minutes of meeting in the application for enterprise registration (Clause 1 Article 1).

The letter of attorney upon authorizing an individual to carry out procedures for enterprise registration is also not required to be notarized or certified (Clause 2 Article 1). In addition, according to Clause 5 Article 1, an enterprise may register conversion of the enterprise and register changes of enterprise registration information, except registration of change of the legal representative.

With regard to business location, this Decree removes the regulation according to which an enterprise may only establish its business locations within the province in which its headquarters or branches are located (Clause 9 Article 1).

Procedures for notification of seal design of an enterprise may be carried out online without the requirement of additional submission of paper – based dossier to Business Registration Office (Clause 10 Article 1).

Other important procedures such as online enterprise registration; registration of change of charter capital or capital contribution (stake) ratio; change of information about founding shareholders; publishing of enterprise registration information, etc. are also amended.

This Decree takes effect from October 10th, 2018.

## FINES IMPOSED ON FOOD SAFETY VIOLATIONS SHALL BE INCREASED

Decree No. 115/2018/ND-CP dated September 4th, 2018 of the Government on penalties for administrative violations against regulations on food safety

In comparison with the earlier regulations, the maximum fine levels imposed on administrative violations in the domain of food safety regulated in this Decree are still VND 100 million and VND 200 million with regard to individuals and enterprises respectively. However, this Decree adjusts specific fine levels imposed on many violations in food production and trading, in particular:

- Using expired ingredients or ingredients that have unknown origins for processing of foods, a fine equal to 01 02 times (with regard to individuals) and equal to 02 04 times (with regard to enterprises) the value of products shall be imposed.
- Using an amount of food additives/ food processing aids in excess of the maximum allowable level, the fine level is highly increased from VND 4,000,000 to VND 25,000,000 (with regard to individuals) and from VND 8,000,000 to VND 50,000,000 (with regard to enterprises).
- Using an amount of substances or chemicals in excess of the permissible level or using the ones that fail to meet technical regulations, the minimum fine level is increased from VND 20,000,000 to VND 30,000,000 (with regard to individuals) and from VND 40,000,000 to VND 60,000,000 (with regard to enterprises).
- Using food containers and primary packages which fail to satisfy technical regulations, the fine is increased from VND 7,500,000 to VND 15,000,000 (with regard to individuals) and from VND 15,000,000 to VND 30,000,000 (with regard to enterprises).

This Decree takes effect from October 20th, 2018 and replaced Decree No. 178/2013/ND-CPstatus3 dated November 14th, 2013.

#### NEW VIET NAM STANDARD INDUSTRIAL CLASSIFICATION

## Decision No. 27/2018/QD-TTg dated July 6th, 2018 of the Prime Minister on promulgating Viet Nam standard industrial classification

This Decision is to promulgate Viet Nam standard industrial classification in order to replace the old one promulgated together with Decision No. 10/2007/QD-TTg.

Accordingly, the new standard industrial classification promulgated together with this Decision also comprises of 5 levels similar to the earlier one.

However, the number of classes of level 4 and sub-classes of level 5 are added more. In particular, classes of level 4 are increased from 437 classes to 486; sub-classes of level 5 are increased from 642 sub-classes to 734 sub-classes. The details are provided in Appendix I of this Decision.

In addition, the new standard industrial classification also supplements contents guiding and clearly explaining economic activities arranged into specific sections. The details are provided in Appendix II of this Decision.

This Decision takes effect from August 20th, 2018 and replaces Decision No. 10/2007/QD-TTg dated January 23rd, 2007.

PLAN FOR PROMOTION OF SINGLE-WINDOW SYSTEMS AND REFORM OF SPECIALIZED INSPECTIONS OVER IMPORTS AND EXPORTS BY 2020

Decision No. 1254/QD-TTg dated September 26th, 2018 of the Prime Minister on approving plan of action for promotion of national single-window system, ASEAN single-window system, reform of specialized inspections over imports and exports and trade facilitation for the period of 2018 - 2020

This plan is aimed to promote the application of national single-window system, ASEAN single-window system and reform of specialized inspections over imports and exports and trade facilitation for the period of 2018 – 2020 with these specific objectives:

- By the end of 2019, at least 80% of administrative procedures that have a large volume of transactions and have great effects on enterprises, organizations or people out of total administrative procedures for exports, imports and goods in transit; persons and means upon exit, entry and in transit, will be implemented through the national single-window system.
- Continue to hold the rank equal to the top four ASEAN countries in terms of the time of customs clearance and release of goods, people and facilities
- By 2020, fees and charges for implementation of all administrative procedures through the single-window system will be collected online
- Electronic evidencing documents (e.g. electronic licenses, electronic certificates and other equivalent electronic documents) issued through the national single-window system shall be used in carrying out other relevant administrative procedures
- Carry out the exchange and mutual recognition of commercial documents issued in an electronic form with ASEAN countries
- Complete the mechanism for management of electronic cross-border trades
- From 2018 onwards, continue to reduce and simplify the list of imported goods subject to pre-clearance specialized management and inspection; comprehensively reform specialized inspection over imported and exported goods, reduce the number of import shipments subject to the specialized border-gate inspection to less than 10%.

- In 2019, submit to the National Assembly the scheme for pilot implementation of the mechanism of the bond for customs clearance of a number of imports and exports subject to the specialized inspection

This Decision takes effect from September 26, 2018.

#### CONDITIONS ON SCRAP IMPORT SHALL BE FURTHER TIGHTEN

Directive No. 27/CT-TTg dated September 17th, 2018 of the Prime Minister on a number of urgent solutions for enhancement of management of scrap import and use of imported scrap for production purpose

Aiming to strictly control the scrap import and minimize risk of environmental pollution, the Prime Minister requested for addition of these regulations:

- Do not grant a new certificate of conformity to environmental protection regulations for scrap import or extend such certificate of conformity with regard to the importer of scrap under an authorization contract
- Only consider whether to grant the certificate of conformity to the importer of scrap for production purpose after the demand and capacity for scrap use of such importer is proved
- Do not grant permit for import of scrap for the purpose of processing and re-sale
- -Request the registration of import deposit for scrap before such scrap is imported into territorial seas and territory of Vietnam
- Impose strict regulations on environmental pollution on users of imported scrap for production purpose
- Revise the list of scrap permitted for import with the aim of not approving import of scrap that may cause environmental pollution and available scrap
- To suspend the temporary import for re-export, transit and transshipment of scrap into the territory of Vietnam

From October 1st, 2018, it is not allowed to import scrap into Vietnam through checkpoints by roads or railroads.

- To amend current regulations with the aim of making a list of scrap prohibited from being temporarily imported for re-exported, transited and transshipped.

#### NEW REGULATIONS ON AVIATION STAFF TRAINING

Circular No. 10/2018/TT-BGTVT dated March 14th, 2018 of the Ministry of Transport on aviation staff; aviation staff training and assessment

This Circular takes effect from May 10th, 2018 and replaces Circular No. 61/2011/TT-BGTVTstatus1 dated December 21st, 2011

#### REGARDING WORK PERMIT OF FOREIGN WORKERS

Official letter No. 1073/CVL-QLLD dated October 2nd, 2018 of the Ministry of Labor, Invalids and Social Affairs regarding regulations on the work permit of foreign workers

According to Clause 3 Article 12 and Clause 3 Article 15 of Decree No. 11/2016/ND-CP, the signing of labor contact with a foreign worker is carried out after the application for issuance, re- issuance of the work permit but must be before the date on which the foreign worker expects to work for the employer.

In addition, within 05 working days as from the day of signing the labor contract, the employer has to send the copy of the labor contract already signed to the agency that has granted, re-granted such work permit.

## IT IS NOT ALLOWABLE TO IMPORT SCRAPS WITHOUT NATIONAL TECHNICAL REGULATIONS ON ENVIRONMENT

Official letter No. 5282/TCHQ-GSQL dated September 11th, 2018 of the General Department of Vietnam Customs regarding import of scraps without national technical regulations on environment

According to Article 76 of the Law on environment protection No. 55/2014/QH13, scraps imported from abroad into Vietnam must meet environmental technical regulations.

Accordingly, the General Department of Vietnam Customs assumes that only scraps which have national technical regulations on environment are considered being granted customs clearance.

In contrast, if scraps have not yet had national technical regulations on environment, customs authorities do not have grounds to inspect, compare the conformity with national technical regulations on environment of imported scrap shipments in order to grant customs clearance.

## REQUIREMENTS FOR PROVISION OF LOANS FOR SMES SHALL BE LOOSEN

Official letter No. 6627/NHNN-TD dated September 4th, 2018 of the State Bank of Vietnam (SBV) regarding deployment of the Law on provision of assistance for small and medium-sized enterprises (SMEs) and Directive No. 15/CT-TTg

Aiming to provide assistance for SMEs, the SBV requests banks to deploy these measures:

- 1. Expand credit, focus capital to grant loans to production sector, prioritized sectors, in which including SMEs.
- 2. Actively participate in Banks Enterprises Connection Programs in order to facilitate SMEs to access banks' credit.
- 3. Renew the lending procedure, simplify procedures for borrowing loans to facilitate SMEs to access loans serving business and production operation provided that loans are ensured to be safe.
- 4. Actively study to develop baking products, services appropriate to scale and operation of SMEs. Elaborate credit programs, packages with reasonable interest rates for SMEs.

## IMPORT CONDITIONS AND CUSTOMS CONTROL MECHANISM WITH REGARD TO SCRAP

# Dispatch No. 4202/TCHQ-PC dated July 17th, 2018 of the General Department of Vietnam Custom on management of import of scrap into Vietnam

This Official letter is to provide guidelines on conditions for import of scrap, how to make customs declaration, physical inspection and forms of handling scrap disallowable to be imported.

Accordingly, any kind of materials discharged in production, business, service, daily human and other activities shall be prohibited from being imported and transit in any form, except scrap that fully meets these conditions:

- (i) It belongs to the list of scrap permitted for import issued by the Prime Minister (currently, it is Decision No. 73/2014/QD-TTg).
- (ii) The national technical regulations on environment for these scrap materials must be made available. This requirement is now subject to the Circular No. 43/2010/TT-BTNMT.
- (iii) They must be imported within the import quota by enterprises holding the certificate of conformity.

In addition, in order to be granted customs clearance, upon declaration, enterprises are required to complete the e-manifest system, all detailed information on the importing enterprise, including its name, tax code, address, number of certificate of conformity, etc and information on goods such as type of scrap, HS code containing at least 4 digits, etc.). Regarding customs supervision, all shipments claimed as imported scrap shall be subject to the strict inspection of dossier and physical inspection. The physical inspection of goods shall be carried out at the Customs Sub-department at the entry checkpoint and in the area under such system's surveillance.

It should note that with regard to used goods, not scrap but are characterized as scrap (e.g. USED woven jumbo bags, USED pr film, USED tyre, etc.,), they are also required to fully meet the import conditions and subject to the customs supervision as scrap imported.

This Official letter replaces Official letter No. 8154/TCHQ-GSQL dated September 8th, 2015, Official letter No. 2443/TCHQ-GSQL dated May 7th, 2018 and Official letter No. 3738/TCHQ-GSQL dated June 26th, 2018.

#### TRADE FAIRS & EXHIBITIONS

#### VIETNAM FOODEXPO 2018 KICKS OFF IN HO CHI MINH CITY

**NDO** - The Vietnam Food Technology International Exhibition (Vietnam Foodexpo) 2018 officially opened at the Saigon Exhibition and Convention Centre in Ho Chi Minh City on November 14.

The event, organised by the Ministry of Industry and Trade (MOIT), sees more than 600 booths by 450 enterprises from Vietnam's 31 provinces and cities, as well as countries and territories around the world. Enterprises attending the exhibition are showcasing a wide variety of food products including fruit and vegetables, coffee and tea, food ingredients, processed food and food processing technologies. Vietnam Foodexpo 2018 has attracted the participation of many Vietnamese food companies that have been given the National Brand awards, such as Phu Thinh, Sa Giang, Ben Tre Coconut, Satra, Vissan, Thien Huong and PAN Group.

Speaking at the opening ceremony, MOIT Deputy Minister Do Thang Hai stated that Vietnam's food industry has undergone a significant transformation over the past 20 years, with products conquering many markets in the world. He added that the Vietnam Foodexpo 2018 is the largest food industry event in Vietnam therefore the organisers have undertaken many substantive activities to help enterprises better meet consumer tastes.

This year's event has the Netherlands as the country of honour, which will share its experience in building food supply chains and food safety management with Vietnam.

Vietnam Foodexpo 2018 is taking place from November 14-17, with the first three days reserved for commercial visitors only and the final day for public visitors.

#### **HORTEX VIETNAM 2019**

**Date**: 13 – 15 March 2019

Venue: Saigon Exhibition and Convention Centre, Ho Chi Minh City, Viet Nam

**Products**: The International Exhibition & Conference for Horticultural & Floricultural

Production and Processing Technology in Vietnam

**CONTACTS: Minh Vi Exhibition and Advertisement Services Co., Ltd - VEAS** 

Address: 8th floor, room 805, Ha Do Airport Building, 02 Hong Ha Street, Ward 2, Tan

Binh District, HCM City, Vietnam

**Tel.:** +84 28 3848 8561 **Fax:** +84 28 3848 8564

Email: info@veas.com.vn Website: www.veas.com.vn

### **FOOD & HOTEL VIETNAM 2019**

**Date**: 24 – 26 April 2019

**Venue**: Saigon Exhibition and Convention Centre, Ho Chi Minh City, Viet Nam

Since its inception in 2004, Food&HotelVietnam has successfully established and maintained a good reputation as the most efficient platform for food and hospitality industry in Vietnam and beyond. In the last edition in 2017, the exhibition brought together over 12,842 trade buyers to source the latest products, network and get immersed in industry insights through a series of educational & inspiring events.

At Food&HotelVietnam2019 - the 10th International Exhibition of Food & Drinks, Hotel, Restaurant, Bakery & Foodservice Equipment, Supplies & Services, 650 exhibitors from 38 countries & regions will fill 12,000 square meters of the Saigon Exhibition and Convention Center (SECC), Ho Chi Minh City to demonstrate their new food & beverage, coffee, wine & spirits products, innovative equipment & hospitality technologies.

#### **CONTACTS: UBM VIETNAM**

Address: 10 Flr, Ha Phan Building, 17-17A-19 Ton That Tung Str., Pham Ngu Lao Ward

District 1, HCMC

**Tel.**: +84 28 36222 588 **Fax**: +84 28 36222 527

Email: info-vn@ubm.com

Website: www.ubm.com/global-reach/our-locations/vietnam

### **CAFE SHOW VIETNAM 2019**

**Date**: 2 – 4 May 2019

Venue: Saigon Exhibition and Convention Centre, Ho Chi Minh City, Viet Nam

**Products:** Coffee, Tea & Beverage, Bakery, Whole & Roasted Bean, Chocolate & Dessert, Ice-cream & Gelato, Raw Material, Machine & Equipment, Franchise & Start-up, Barista Education & Training

**CONTACTS: EXPORUM** 

Address: 57-59 Ho Tung Mau Str., Ben Nghe Ward, Dist.1, HCMC

**Tel**: +8428 3823 6050 **Fax**: +8428 3823 6065

Email: rinnie@exporum.com Website: www.exporum.com

#### BUSSINESS OPPPORTUNITIES



#### FRESHLIFE VIETNAM

Freshlife Vietnam JSC focuses on manufacturing and distributing qualified products of tropical fruit, spices and many types of agricultural products. Their best seller products are dehydrated fruits as mango; banana; red dragon fruit and banana.

Their factory equipped with high technology and machines imported from Germany and certified with HACCP and ISO 22000 certificate ensures the safety and quality of each product. Their dehydrated fruits have been exported to high demanding markets such as Japan, Australia, and South Korea...

#### **CONTACTS: FRESHLIFE VIETNAM**

Address: No. 39/41/342 Khuong Dinh Str, Thanh Xuan District, Ha Noi, Viet Nam.

**Mob**.: +84 966645139

Email: contact@freshlifevietnam.com Website: http://freshlifevietnam.com

#### HIEP HOA GROUP

Founded in 1996, Hiephoa Group specializes in manufacturing, importing, and exporting environmental equipment in Vietnam. Their products are: Fire Truck, Garbage Compactor Truck, Water Spraying Truck, Heavy Wrecker Truck, Mini Crawler Crane, Broadcasting Truck, Road Sweeper, Anti-Riot Truck.

### **CONTACTS:** Hiep Hoa Group

Address: No. 3/107 Nguyen Chi Thanh - Hanoi, Viet Nam.

Email: <a href="mailto:nhatanhhiephoa@gmail.com">nhatanhhiephoa@gmail.com</a> Web: <a href="www.hiephoa.com.vn">www.hiephoa.com.vn</a>

#### **VINAFINE**

Vinafine is a supplier focusing on agricultural products like rice, spices, fruits, cashew nut, coffee bean, dried fruits, fresh fruits, fruit juice etc. Vinafine has been exporting to many markets worldwide, especially to Malaysia, Japan, Korea, France and Middle East countries.

#### **CONTACTS: VINAFINE INVESTMENT., JSC**

Address: 26th Floor, Song Da Tower, Pham Hung Street, Ha Noi, Viet Nam

Tel: +84 344 854 165 Email: info@vinafine.com Website: - www.vinafine.com

#### VIET NAM TRADE OFFICE (VTO) CONTACT

### Trade Office, Viet Nam Embassy in New Zealand

Tel/Fax: + 64 4 8033 775 Email: nz@moit.gov.vn

Address: Level 2, 90- 92 Dixon Street, Te Aro PO Box 11095, Manners Street, Wellington 6142

#### **REFERENCES:**

1 - Viet Nam Exporters Directory.

2 - E-Book: "A guide on doing business with Viet Nam" & "Môi trường Kinh doanh Thuận lợi tại New Zealand- Easy to do business in New Zealand" (in Vietnamese version) – are available by contacting VTO.