

LegalNews

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Amendments of the Constitution

On June 25, 2001, the X National Assembly, Congress 9th started discussing on some amendments of and additions to a number of articles stipulating on organization of the State systems of the 1992 Constitution of the Socialist Republic of Vietnam (the "Constitution").

The National Assembly Standing Committee proposed some amendments and additions made to the Constitution for the aims at solving the imperative matters in the operation of the State systems, speeding up the effectiveness and efficiency of administrative management and step by step perfecting the State management systems. The most interested matter is the reform of local State organs' system, particularly People's Councils and People's Committees. During the Congress, there are many proposals of National Assembly's members to discard district People's Council, which is currently only acting as an intermediate organ in implementation. Besides, procedures for nominating Chairman of the People's Committee should be altered at requests of the National Assembly' members.

Furthermore, stipulations on organization and operation of People's Procuracies and People's Courts, stipulations on economy, science, technology and education in the Constitution shall be also revised in the light of document of the IX Congress of Vietnam Communist Party.

Foreign Investment

Foreign Exchange Control

Circular No.04/2001/NHNN was issued by the State Bank of Vietnam on May 18, 2001, providing guidelines on foreign exchange control with respect to foreign invested enterprises ("FIEs") and foreign parties to business co-operation contract ("Foreign Contracting Parties"). Circular 04 takes effect as from June 2, 2001 and replaces Circular No.02/TT-NH7 dated June 28, 1997 of the State Bank of Vietnam on foreign exchange control of foreign direct investment activities in Vietnam and Decision No.468/QD-NHNN7 dated November 8, 2000 of the State Bank of Vietnam on selling foreign currencies of FIEs and Foreign Contracting Parties.

In comparison with Circular 02, Circular 04 only applies to institutions operating under the Law on Foreign Investment in Vietnam. From now on, foreigners working in FIEs and Foreign Contracting Parties are subject to Circular No.01/1999/TT-NHNN7 dated April 16, 1999 of the State Bank of Vietnam detailing the Government's Decree No.63/1998/ND-CP dated August 17, 1998 on foreign exchange control.

Circular 04 provides more simple procedures for opening overseas foreign currency account, accordingly, FIEs are allowed to open accounts in foreign country for carrying out the long and medium term loans. In addition, those FIEs under important projects, FIEs in form of BOT, BTO or BT having the request to open account in foreign country to perform their commitments, enterprises engaging in areas of Aviation, Maritime, Post, Insurance or Tourism and enterprises allowed to set up representative offices or branches abroad, may be permitted to open overseas account for other purposes.

Furthermore, Circular 04 specifies on transferring capitals in/out Vietnam, such as: FIEs and Foreign Contracting Parties have to transfer their foreign currencies earned from current transactions in foreign country into local foreign currencies account opened at the authorized bank; foreign investors are

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entitled to remit overseas profits generated from their business operations, the shared profits, income generated from providing services and technology transfer and other money and lawful assets; FIEs and Foreign Contracting Parties are also entitled to remit overseas a certain foreign currency amount for foreign debts repayment purpose. In such situation, they are requested to explain purposes of using foreign currency with the authorized bank.

Taxes Incentives for Software Enterprises

On May 21, 2001, the Ministry of Finance issued **Circular No.31/2001/TT-BTC**, which takes effect from June 5, 2001, providing guideline for the implementation of regulations on tax incentives as set out in the Prime Minister's Decision No.128/2000/QĐ-TTg dated November 20, 2000 regarding some policies and encouragement measures to promote and develop the software technology.

Domestic and foreign invested software companies are enjoyed tax incentives as follows:

Corporate Income Tax

Vietnamese and foreign software enterprises which are currently operating in Vietnam and are not subject to the Law on Foreign Investment in Vietnam are subject to 25% corporate income tax rate; software enterprises investing in areas with difficult socio-economic conditions shall be enjoyed 20% corporate income tax rate; and the tax rate of 15% shall apply to software enterprises which invest in areas with special difficult socio-economic conditions. Particularly, foreign invested software enterprises are subject to the lowest corporate income tax rate with 10%.

Finally, software enterprises are all exempted from corporate income tax for the first 4 years commencing from the time the enterprises have taxable income.

Remittance Tax

The remitted incomes earned from software productions and software services are subject to the tax rate of 3%.

VAT

Software products and services circulated in Vietnam are not subject to VAT. However, they are not refunded or deducted from VAT input. As same as stipulated in Circular No.122/2000/TT-BTC dated December 29, 2000 of the Ministry of Finance on guiding the implementation of the Government's Decree No.79/2000/ND-CP, exported software products and services shall be subject to 0% of VAT.

Import and Export Tax

The imported materials serving for production of software products and providing of software services which are not produced domestically, shall be exempted from import duty. The exported software products are all exempted from export duty.

Investment in Medical Examination and Treatment Sectors

Circular No.10/2001/TT-BYT guiding foreign investment in medical examination and treatment fields was issued by the Ministry of Health on May 22, 2001, which takes effect on June 6, 2001 and replaces the Ministry of Health's Circular No.22/BYT-TT dated December 29, 1994.

In accordance with Circular 10, foreign individuals and organizations are allowed to invest in medical examination and treatment fields under the following forms:

- ✓ Hospital;
- ✓ Clinic, Para clinical; and
- ✓ Assistance services to carry patients abroad.

"Foreign invested software enterprises are now subject to the lowest level of corporate tax rate, 10%. Vietnamese Government attempts to spur the development of software industry, Decision 128 and Circular 31 are the salient examples... "

"The Ministry of Finance issued a new legal instrument providing guidelines for foreign investment in medical examination and treatment fields ... "

On the other hand, Vietnamese organizations may cooperate with foreign entities to set up medical examination and treatment institutions under the following forms:

- ✓ Hospitals, clinics, medical examination and treatment institutions under non-productive units having incomes;
- ✓ Semi-state owned hospitals, clinics and maternity hospitals;
- ✓ Private hospitals, clinics and maternity hospitals; and
- ✓ Other objects set out in Article 2 Decree No.24/2000/ND-CP issued by the Government on July 31, 2000.

After obtaining Investment License from the Ministry of Planning and Investment, medical examination and treatment institutions ("Institutions"), of which the equipment, facilities, personnel system are fully completed as set out in Chapter 2 of Circular 10, must submit to the Ministry of Health for issuance of Certificate of full conditions for medical examination and treatment practices ("Certificate"). The dossier for submission to the Ministry of Health are as follows:

- ✓ Proposal of the provincial Department of Health where the Institutions are located;
- ✓ Application for issuance of Certificate;
- ✓ Charter of the Institutions;
- ✓ Feasibility Study;
- ✓ Scope of professional activities;
- ✓ List of Management Board and Director Board;
- ✓ Personal resume;
- ✓ Professional practice Certificate of Director of the Institutions granted by the Ministry of Health;
- ✓ Letter of introduction issued by Vietnam Medical Federation;
- ✓ Investment Licence granted by the Ministry of Planning and Investment; and
- ✓ Joint venture contract and joint venture Charter of enterprise (with respect to joint venture enterprises).

Import-Export

Import and Export of Pharmaceuticals and Cosmetics

Circular No.06/2001/TT-BYT was issued by the Ministry of Health, which comes into force from May 1, 2001, guiding the import and export of pharmaceuticals and cosmetics directly affected on human's health in 2001-2005 period. Circular 06 replaces Circular No.07/2000/TT-BYT dated April 20, 2000 providing guidelines for the import, export of pharmaceuticals and cosmetics for the year 2000.

Circular 06 provides guidelines for the imports and exports of finished pharmaceutical products, materials for production of pharmaceuticals, drugs, adjuvant, capsules, pharmaceuticals' package and cosmetics directly affected to human's health (hereinafter referred to as "Cosmetic").

Applicable subjects of Circular 06 include (i) enterprises meeting the requirements and conditions provided by the Ministry of Health for pharmaceuticals import and export, and were issued the code of import, export enterprise by Customs Office, (ii) enterprises having business registration certificate in the field of human diseases prevention and treatment pharmaceuticals and the code of import, export enterprise issued by Customs Office; (iii) enterprises with cosmetics business registration certificate and obtained permission from Customs Office for import and export of cosmetics.

Foreign invested pharmaceutical enterprises which are currently operating under the Law on Foreign Investment in Vietnam are allowed to import materials, additive materials for the production of finished pharmaceutical products, to export directly or delegate other enterprises in export of pharmaceutical products. Other FIEs shall not be allowed to neither directly import and distribute pharmaceutical products, to act as an agent of pharmaceutical products for foreigners nor sell imported pharmaceutical

products in Vietnam.

As for imported pharmaceuticals, of which the remaining use duration must be at least 18 months from the date on which such products arrived at Vietnamese port. In case the use duration of imported pharmaceuticals is, or less than, 2 years, the remaining use duration must be in no case less than 12 months.

With respect to the imported materials, the remaining expiry must be at least 18 months. If the expiry of medicine is less than or equal 3 years, the remaining expiry must be at least 12 months. The imported material for production of medicine must have the expiry over 3 years from the date of arriving at Vietnamese port. With respect to the imported materials having the expiry less than 6 months, they are required to arrive at Vietnamese port within 6 months from the production date. With respect to Cosmetic having the quality registration (or circulation registration) are allowed to import upon its demands without the limitation of quantity and value. The import license or certifying import orders are not also required.

Import and Export of Chemicals

On April 26, 2001, the Ministry of Industry promulgated **Circular No.01/2001/TT-BCN** guiding the import and export of chemicals in 2001-2005 period. Circular 01 takes effect from May 11, 2001.

Circular 01 provides that business entities having full conditions for import, export as stipulated in Article 8 of Decree No.57/1998/ND-CP are entitled to import and export chemicals at their discretion and abilities. Particularly, in respect of noxious chemicals which fall under the lists issued in conjunction with Circular 01, including (i) the List of the banned on import, export of noxious chemicals; (ii) the List of export of noxious chemicals and products having noxious chemicals; (iii) the List of pre-substance used in industrial sectors; and (iv) the List and technical standards of imported chemicals, import - export entities have to satisfy conditions as set out in Decision No.46/2001/QD-TTg dated April 4, 2001 of the Prime Minister on directing import, export of goods in 2001-2005 period and this Circular.

Import and Export of Health Equipment

With an aim to guide in details for **Decision No.46/2001/QD-TTg** dated April 4, 2001 on the import and export of health equipment under the control of the Ministry of Health, on April 27, 2001, the Ministry of Health issued Circular No.08/2001/TT-BYT, effective from May 12, 2001, replaced Circular No.13/2000/TT-BYT dated May 29, 2000.

As stipulated in Circular 08, enterprises are permitted to import and export health equipment when/if they meet the conditions for manufacturing and trading such health equipment and are granted with the code for import - export enterprise. To obtain permission of health equipment import, such enterprises have to submit import orders together with catalogues, brochures, circulation permission and equipment quality certificates granted by authorized body in foreign country to the Ministry of Health. Within 10 days from the date of receiving properly submitted dossier, the Ministry of Health is responsible for responding in writing and stating clearly in which the submitted dossier is acceptable or not.

Minerals Export

Commencing from May 12, 2001, export activities of minerals explored in domestic shall be governed by **Circular No.02/2001/TT-BCN** issued on April 27, 2001 by the Ministry of Industry. Under which, minerals explored in Vietnam would be exported if they meet the conditions that such materials,

- i. to be legally explored in compliance with minerals regulations;
- ii. not to be prohibited to export by the Government;
- iii. to satisfy quality standards as stipulated in Circular 02; and
- iv. not to be demanded or are demanded at a minor quantity by the domestic market.

Furthermore, Circular 02 sets out conditions for minerals export enterprises to do business, including: being legally established; meeting conditions stipulated in Article 8 of Decree No.57/1998/ND-CP dated July 31, 1998 of the Government; and having permissions and contracts stated in Section II.2 of Circular 02.

Used Vehicles Import

On May 9, 2001, The General Department of Customs issued **Dispatch No.1821/TCHQ-GSQL** on customs formalities for the import of used vehicles, which replaces Dispatch No.1346/TCHQ-GSQL dated April 9, 2001.

As instructed in Dispatch 1821, when inspecting imported complete-vehicles which are disassembled, Customs Office instructs import enterprises to build a complete-vehicle from disassembled components at the border gate. In case the built vehicle is lacking in one or more component(s), but not be the chassis, the built vehicle shall be treated as a complete-vehicle. Any second hand components and chassis which are odd in pilot assembly shall not be allowed to import. Finally, Customs Office shall grant enterprises with the registration of original of imported vehicles after obtaining quality registration Certificate issued by Vietnam Register Department.

Equitization

Preferential Shares of Processing Enterprises

Prime Minister issued on 3 May **Decision No.69/2001/QD-TTg** on sale of preferential shares of enterprises engaged in processing industry to cultivators and material suppliers.

With the aims to cement interests and relationship of cultivators and materials suppliers with equitized processing enterprises, in order to stabilize material resources and to enhance business efficiency of processing enterprises, Decision 69 allows equitized processing enterprises to sell preferential shares to cultivators and material suppliers in reduction of 30% in comparison with the selling price to other subjects set out in Article 14 of Decree 44/1998/ND-CP dated June 29, 1998 of the Government, provided however that total shares amount shall not exceed 10% of the State owned contribution in the equitized enterprise and equitization plan must be approved by the competent authorities in accordance with Decree 44.

Newly Establishment of State Owned Enterprises Temporarily Ceasing

According to **Dispatch No.574/CP-DMDN** issued by the Government on June 25, 2001, pending the adoption of the program of State owned enterprises continuously reform and development and the amendment of Decree No.50/CP dated August 28, 1996 regarding the establishment, reorganization, dissolution and bankruptcy of State owned enterprises, the Government requires Ministries, provinces and State owned Corporations to cease setting up new State owned enterprises. In case of necessary, the organs in charge shall have to submit for the Prime Minister's consideration and approval.

Taxations-Fees

Taxes Instruments Abolishment

According to **Decision No.327/2001/QD-TCHQ** issued on May 14, 2001 of the General Department of Customs, the following legal documents on value added tax are revoked:

- ✓ Circular No.09/1998/TT-TCHQ dated November 11, 1998 guiding the implementation of Decree No.28/1998/ND-CP dated May 11, 1998 of the Government on VAT;
- ✓ Circular No.13/1998/TT-TCHQ dated December 14, 1998 guiding the management of import duty and VAT with respect to the import of raw materials and materials to produce commodities for export;
- ✓ Decision No.384/1998/QD-TCHQ dated November 19, 1998 promulgating the List of import duty tariff of VAT subject imported commodities;
- ✓ Decision No.455/1998/QD-TCHQ dated December 31, 1998 amending the above Decision No.384;

- ✓ Decision No.44/1999/QĐ-TCHQ dated January 20, 1999 promulgating the List guiding imported commodities subject to VAT;
- ✓ Decision No.161/1999/QĐ-TCHQ dated May 11, 1999 amending the above Decision 44; and
- ✓ Decision No.262/1999/QĐ-TCHQ dated July 26, 1999 amending the above Decision 161.

Taxes Impose Upon ODA Funded Water Supply Projects

The Ministry of Finance issued on May 3, 2001 **Circular No.28/2001/TT-BTC** proving guidelines for State budget collecting and spending record of import duty and imported goods' VAT with respect to ODA funded water supply projects.

Circular 28 provides in detail for the documents and process of recording revenues and expenditures, responsibilities of relevant bodies. Accordingly, investors are responsible for settling deferred duty of imported goods as of January 1, 2001 and are not allowed to calculate any fines in project's expenses.

VAT Relief for Agricultural, Forestry and Aquatic Products

On May 18, 2001, the Ministry of Finance issued **Dispatch No.4543 TC/TCT** guiding to reduce VAT for enterprises which are trading agricultural, forestry and aquatic items and encountered difficulties due to the changes of deduction level of input VAT.

With respect to enterprises subject to VAT deduction method and bought unprocessed agricultural, forestry and aquatic items without VAT invoices, if there are any losses due to the application of new deduction level, the loss suffered enterprises shall be reduced VAT which was paid in January 2001 for differences between VAT amount as stipulated in Decree No.78/1999/ND-CP dated August 20, 1999 and the same set out in Decree No.19/1999/ND-CP dated December 29, 1999 of the Government detailing the implementation of the Law on Value added tax.

Agricultural Land Use Tax Relief

In accordance with **Notice No.36/TB-VPCP** dated May 23, 2001 of Government's Office, Vietnamese Government commenced reducing and exempting from agricultural land use tax. In the first progress, agricultural land use tax reduction and exemption shall be granted to nation-wide communes belonging to 325 program; partial reduction shall be granted to rice and coffees cultivating households. The Ministry of Agriculture and Rural Development is entrusted to develop the program of cow breeding, the Ministry of Fishery is responsible for preparing the program of shrimps breeding in Cuu Long River Delta and the forestry cultivation development program shall be made by the Ministry of Industry, in association with Ministry of Agriculture and Rural Development. The Ministry of Trade will provide with the regulations on Export Insurance Fund and Deposit Sponsoring Fund to assist agricultural households.

Decree on Corporate Income Tax Revised

Decree No.26/2001/ND-CP amending, supplementing to Decree No.30/1998/ND-CP dated May 13, 1998 guiding the implementation of the Law on Corporate Income Tax has been issued by the Government on June 4, 2001. Decree 26 comes into force on June 19, 2001. Below are major alterations:

- ✓ Taxable incomes shall be calculated at the time that goods/services were sold, despite of that the payment for sold goods/services is made by customers or not. This is a additional provision made to Decree 30;
- ✓ Where the lessee made advance payment for leased assets in several years, taxable incomes shall be allocated in accordance with a number of years which were already paid in advance, in lieu of once calculation as stipulated in Article 3.6 of Decree 30;
- ✓ Taxable incomes of credit activities are receivable loans' interest which were arisen in taxable term, instead of the actually received amount;
- ✓ Business entities which are trading in favorable spots and/or areas having low competitiveness

and gain high revenues shall have to pay additional income tax at the rate of 25% if after paying corporate income tax at the rate of 32%, pocket remaining income is still over 20% of the business entity owned capital;

- ✓ Remittance tax rate is lower than the ones previously stipulated in Decree 30.

"As from July 1, 2001, Vietnamese citizens who made monthly incomes of more than VND3 millions shall have to pay high income tax ..."

High Income Tax Ordinance Promulgated

The **Ordinance on High Income Tax** was passed by the National Assembly's Standing Committee on May 19, 2001 and promulgated on May 31, 2001 by the State President ("New Ordinance"), which takes effect on July 1, 2001. The New Ordinance replaces the Ordinance on Income Tax of High Income Earners dated May 19, 1994 (as amended February 6, 1997 and June 30, 2001).

Up to this amendment, regulations on high income tax for Vietnamese have been revised four times since it was first adopted in April 1991. Accordingly, taxable income was firstly raised from more than VND500,000 to more than VND650,000 in October 1992. Secondly, it was increased to more than VND1,200,000 in May 1994 and to more than VND 2,000,000 at the third amendment in February 1997.

Taxable income under the New Ordinance is more than VND3,000,000 (as to Vietnamese) and is progressively calculated as follows:

Average Incomes (person/month)	Tax Rates
VND3,000,000	0%
More than VND3,000,000 to 6,000,000	10%
More than VND6,000,000 to 9,000,000	20%
More than VND9,000,000 to 12,000,000	30%
More than VND12,000,000 to 15,000,000	40%
More than VND15,000,000	50%

Under the New Ordinance, taxable income excludes fees on medical and social insurance paid by salary of employee. This would help avoid mistakes in defining the earners' tax returns. Foreigners who are residing in Vietnam and Vietnamese citizens who are working overseas making monthly income of more than VND8,000,000 shall be imposed high income tax. Additionally, the New Ordinance increases the payable income tax rate on foreigners, who are a resident in Vietnam for the period between 30 and 182 days to 25% from current rate of 10% of their total income.

Lastly, Vietnamese having monthly income of more than VND15,000,000 shall have to pay additional income tax for the exceeding thereof, in lieu of VND8,000,000 as previously.

Taxable Price of Price Reduced or Deducted Imported Goods

According to **Dispatch No.2313/TCHQ-KTTT** issued by the General Department of Customs on June 6, 2001, taxable price of imported goods of which the price was reduced or deducted shall be the sale contract's price subtracted the reduced/deducted amount, provided however that the imported goods' dossier must justify properly stipulated conditions, deducted/reduced amount must be clearly stated in the sale contract and invoices, 100% payment for the imported goods batch shall be made through an authorized bank and CIF price must be in no case less than 70% of the minimum price as provided by the State authority.

ODA

New Regulations on ODA Management and Utilization

As said in our previous Issue, new Regulation on management and utilization of Official Development Assistance (ODA) was promulgated on May 4, 2001 in conjunction with **Decree No.17/2001/ND-CP** of the Government, replaced former Regulation which was promulgated in conjunction with Decree 87/CP dated August 5, 1997 (the "New Regulation")

"New Regulation on management and utilisation of ODA was finally promulgated on 4th May after a long time of waiting. The new Regulation with 8 Chapters and 46 Articles has significantly revised the outdated former one"

The New Regulation, which comprises 8 Chapters and 46 Articles, has been significantly adjusted and had overcome the limitations of the former Regulation issued in 1997, as set out below:

Newly making in detail in a separate Chapter on preparation, appraisal and approval of ODA programs and projects, which include notable major contents as the followings:

Documentation of ODA program, project: ODA programs or projects are all required to have program or project's documents, which are feasibility studies, to be made in compliance with the regulations on management of investment and construction, with existing applicable regulations and with requirements as well as guidelines of the donors;

The Board for ODA program, project Preparation are established by the authority in charge and are responsible for implementation of the works in preparation period, such as: studying regulations and requirements of the Government and the donors, clearly identifying objectives of and conditions applied for program or project, making its preparation plan to be submitted to the authorized bodies for their approvals, preparing personnel for the program or project, and so forth;

Appraisal: All ODA program or project documents are appraised and approved by authorized bodies in accordance with the provisions stipulated in Article 18 of the New Regulations. Application dossier shall be made into eight (8) sets with respect to programs, projects falling within decision-making authority of Prime Minister, and five (5) sets with respect to other programs or projects. A dossier for appraisal consists of: a proposal for appraisal; opinions in writing of the bodies in charges, program or project's documents; all official letters of the competent authorities issued in the course of preparation period, as well as agreements and/or memorandum signed with the donor;

Approval: Prime Minister approves Group A projects. The projects not belonging to the decision of the Prime Minister are approved by the head of the body in charge.

The New Regulation also provides in detail for the management of implementation of ODA program or projects in a separate Chapter, which consists of remarkable contents as follows:

Project Owner: Ministerial bodies level, the provincial People's Committees and non-productive administration bodies are entitled to be project owners with respect to programs or projects funded by State Budget, and are not entitled to be project owners with respect to ODA programs or projects funded by re-borrowed loan from State Budget, except for programs or projects to be mix-funded by both distribution and re-borrowed loan from State Budget;

ODA Project Management Unit: This unit is established by authorized bodies having its own seal, and is entitled to open bank account to implement its program or project;

Reciprocal Capital: all ODA program or project have to ensure that they have enough reciprocal capital for the preparation and implementation. Sources of reciprocal capital applied for types of programs or projects are stipulated in Articles 26 and 27 of the New Regulations;

Taxation: Taxes imposed upon ODA programs or projects are adopted in compliance with existing applicable laws. Particularly, interest payment of ODA loans are not subject to corporate income tax;

Adjustment, modification, and supplementation: During its implementation process, objectives and capital of ODA program or project may be adjusted, modified or supplemented. Authority and formalities of appraisal and approval to the adjustment, modification and supplementation are stipulated in Article 31 of the New Regulations.

Decree 17 was of full force and entered into validity from May 19, 2001.

Foreign Non-Government Aid

Commencing from May 11, 2001, the management and utilization of non-government aid are implemented in accordance with the Regulations promulgated in conjunction with **Decision No.64/QD-TTg** of the Prime Minister, replaced Decision No.28/QD-TTg dated February 23, 1999.

Regulations on management and utilization of foreign non-government aid stipulates some new points

as the followings:

- ✓ Selling of goods under non-government aid must be put up to auction in accordance with the provisions stipulated in Decree 86/CP dated December 19, 1996 of the Prime Minister promulgating Regulations on Auction of Assets;
- ✓ Goods falling within the List of import-prohibited commodities in accordance with the regulations of the Government shall not be accepted. With respect to second-hand goods, aid-absorption authority shall only agree to receive after receiving certification of the authorized bodies of the donor's country certifying that remaining quality of goods is 80% up ward;
- ✓ The New Regulations also added decision-making authority of Minister, Heads of ministerial bodies and bodies under the Government, Chairmen of People's Committees of province, cities under Central authority with respect to emergency aids which have specific addresses.

Management of the Refunded VAT Accounting of ODA Funded Projects

On June 12, 2001, the Ministry of Finance issued **Circular No.42/2001/TT-BTC** regarding the management of refunded VAT accounting of ODA funded projects.

Circular 42 provides for vouchers and management of accounting of refunded VAT of projects using non-refunded ODA capital from the State Budget and ODA non-refunded projects not subject to VAT. Refunded VAT includes VAT amount paid by investor or contractor when they import and buy goods/services in domestic to implement projects.

Land

Draft Amended and Supplemented Law on Land

The draft of the amendment and addition to the Law on Land ("Draft Law") has been discussed at the 9th Section, Xth National Assembly. According to **Statement No.422/CP** dated May 21, 2001, the Government proposes 10 amendments and additions in the Draft Law. In which, the most important adjustments are the land price; land using plan, scheme; basics of land delivering, renting; land use right mortgaging etc. As a matter in fact, land price is so complicated matter and is entailing difficulties, lawsuits at the implementation of local organs, particularly lawsuits arisen out of compensations when the State withdraws land use rights.

The Draft Law is adjusted towards: the Government is authorized to regulate land price for each region, in certain duration and to regulate principles and methods to provide price of each kind of land. Provincial People's Committee will, based on factual situation in the area, provide price of land within its location. However, the Draft Law still did not specifically provide principles for defining land price and related matters to compensation when the State withdraws the land such as defining compensation price in case of withdrawal; resettlement, living and jobs; dealing with the delays in the process of site clearance

We will discuss in details on such amendments and supplementation of the Law on Land and other laws enacted by the Xth National Assembly, Section 9th in our next Legal News.

Joint-Venture Capital Contribution by the Value of the Land Use Rights

The Ministry of Finance issued on May 25, 2001 **Circular No.35/2001/TT-BTC** providing for payment of land rental, joint venture contribution by the value of the land use rights of domestic organizations, households and individuals. Circular 35 replaces Circular No.70 TC/QLCS issued by the Ministry of Finance on October 7, 1997 guiding payment of land rental, joint venture capital contribution by the value of the Land use rights of domestic credit institutions.

Below are some major new points as set out in Circular 35:

Objects to be exempted from land rental are set forth clearer in Part I, Section III.5 such as: exempting from land rental during the time of capital construction and afterward for a number of certain objects; exempting from or reducing the land rental for business entities doing business in islands, mountainous and ethnical areas.

Additionally, business entities trading in hotels and rest houses seasonally, entities renting the land for production of agriculture, forestry, aquatic products and salt production which are suffered the natural disaster, may be exempted from or reduced land rental.

Dossier for exemption or reduction of the land rental includes: Application; Investment License/Business Registration Certificate; land rent Decision/Declaration for the payment of land rental; and Certificate of investment incentives issued by authorized body (if any). Furthermore, under Circular 35, value of the land use rights contributing to joint venture enterprise is valued by provincial Financial and Pricing Department in association with Cadastral Department.

Circular 35 comes into full force on June 9, 2001.

Visa

Exit, Entry and Residence of Foreigners in Vietnam

On May 28, 2001, the Government issued **Decree No.21/2001/ND-CP** providing guidelines for the Ordinance on exit, entry and residence of foreigners in Vietnam. Decree 21 comes into force as from June 26, 2001 and replaces the following Government's Decrees:

- ✓ Decree No.04/CP dated January 18, 1993 guiding in details the Ordinance on exit, entry and residence of foreigners in Vietnam;
- ✓ Decree No.17/CP dated March 30, 1993 amending a number of articles of Decree 04;
- ✓ Regulations on exit, entry, residence of foreigners in Vietnam set out in the Regulation on managing Vietnamese missions going abroad and foreign missions entering into Vietnam, which was issued in conjunction with Decree No.12/CP dated December 01, 1992;
- ✓ Decree No.24/CP dated March 24, 2001 on country exit and entry formalities; and
- ✓ Decree No.76/CP dated November 6, 1995 amending and supplementing the above Decree 24.

Applicable subjects of Decree 21 include foreigners, Vietnamese having foreign passport when exit, enter into, transit and reside in Vietnam; foreigners enter into Vietnam under invitation of Vietnamese organizations and individuals and responsibilities of the State competent bodies.

Persons wishing to enter into Vietnam may be granted with visa with duration of 15 days, 6 months or 1 year, subject to the following:

- ✓ Visa issued once or a number of times with validity duration up to 12 months shall be granted to persons entered into Vietnam to implement investment projects or business cooperation contract with Vietnamese organizations; persons entered into Vietnam to work for foreign organizations in Vietnam and their relatives;
- ✓ Visa issued once or many times with validity duration of up to 6 months shall be granted to persons who were invited by Vietnamese organizations, organs or individuals to enter into Vietnam for purposes of other than the above;
- ✓ Once visa with validity duration of 15 days shall be granted to persons wishing to enter into Vietnam without invitation of any Vietnamese organizations or individuals.

Banking

New Decree on Financial Leasing Company

The outdated temporary Regulation on organization and operation of financial leasing company in Viet Nam issued in conjunction with Decree 64/CP in 1995 has been upgraded on May 2, 2001 by the Government's **Decree No.16/2001/ND-CP**.

In comparison with Decree 64, Decree 16 made the following major changes:

- ✓ Finance leasing company's types are set forth more clearer, including: State owned financial leasing company; joint stock financial leasing company; credit institutions' financial leasing company; joint venture financial leasing company; and 100% foreign owned finance leasing company;
- ✓ Operation duration of financial leasing company decreases to 50 years from currently 70 years;
- ✓ Finance leasing company's legal capital is adopted in compliance with Decree No.82/1998/ND-CP dated October 3, 1998, instead of stipulating concrete levels in Decree 64;
- ✓ The conditions for the establishment of finance leasing companies are as follows:
 - *The financial leasing activities are demanded in the area of operation;*
 - *The company meets the requirement of legal capital as set out in Decree No.82/1998/ND-CP;*
 - *The company's founders have necessary prestige and financial capacity;*
 - *Administrators and executive persons have full civil capacity and their qualification are suitable for the financial leasing company's activities;*
 - *The company's draft Charter is made in accordance with the provisions set out in the Law on Credit Institutions and other applicable regulations;*
 - *Having feasible business plans.*
- ✓ Application dossier for setting up and operation is detailed in Article 9 of Decree 16.
- ✓ Scopes of operation of the financial leasing companies are larger in comparison with Decree 64, including:
 - *Mobilizing capital activities;*
 - *Financial leasing activities;*
 - *Buying and re-leasing activities under the form of financial leasing;*
 - *Providing Advices to customers on related matters to finance leasing;*
 - *Performing the delegated services, assets management and guaranty activities involving financial leasing activities; and*
 - *Other activities permitted by the State Bank.*

Regulation on Opening Letter of Credit for Import Deferred Payment

The regulations was issued by the State Bank of Vietnam in conjunction with **Decision No.711/2001/QD-NHNN** on May 25, 2001, and replaced the old Regulation issued in conjunction with Decision No.207/QD-NH7 dated July 11, 1997.

Decision 711 allows all enterprises of all economic sectors to open L/C for import of commodities on deferred payment toward in accordance with the laws. Enterprises are allowed opening L/C for import of commodities on deferred payment upon the following conditions are satisfied:

- ✓ To have the financial capacity is able to make L/C payment within the committed period as stipulated by the banks;
- ✓ To have a commitment in writing with the Bank regarding payment schedule;

- ✓ Not to breach any commitments on making payment for the Bank and there is no outstanding debts at the time of applying for opening L/C;
- ✓ To have a legitimate security for opening deferred payment L/C at the request of the bank;
- ✓ To meet the conditions for foreign short term loans stipulated by the Governor of the State Bank of Vietnam.

Foreign Currencies Interest Floating

According to **Decision No.718/2001/QD-NHNN** of the Governor of the State Bank of Vietnam, as from June 1, 2001, credit institutions are free to define lending interest rate in USD based on interest rate on the international market and the requirements of foreign currencies in domestic market.

This regulation will create a favorable condition for credit institutions to expand their lending in USD to the customers, the State Bank only involves into such interest rate by an agreement with commercial banks upon the market's demand.

Decision 718 abolishes the regulation on maximum interest rates (SIBOR + Margin) stipulated by the State Bank of Vietnam. Decision 718 takes effect on June 1, 2001 and replaces Article 3.1 of Decision No.241/2001/QD-NHNN1 dated August 2, 2000 on adjustment of lending interest rates of credit institutions to customers and Decision No.243/2000/QD-NHNN1 dated August 2, 2000 on promulgating lending interest margin to customers of the Governor of the State Bank of Vietnam.

Finance-Accounting

Settlement of Exchange Rates Difference of Enterprises

The Ministry of Finance issued **Circular No.38/2001/TT-BTC** on June 5, 2001 amending Circular No.44/TT-BTC dated July 8, 1997 on the settlement of exchange rates difference of State owned enterprises.

With regards to amendments of Circular 38, regulations on settlement of foreign exchange difference shall apply to all enterprises from economic sectors, instead of applying to State owned enterprises only. This amendment would help to clear up the impediments for settlement of exchange rates difference of non-State run enterprises and create equal business environment among others. Circular 38 shall be applicable to tax finalization for the fiscal years from 2000 upwards.

Selling and Purchasing Foreign Currencies

On May 31, 2001, the State Bank of Vietnam issued **Circular No.05/2001/TT-NHNN** guiding the implementation of the Government's Decision No.61/2001/QD-TTg dated April 25, 2001 on foreign currencies selling obligation and purchasing right of residents being organizations. Circular 05 takes effect from June 15, 2001 and replaces the following documents:

- ✓ Circular No.08/1998/TT-NHNN7 dated September 30, 1998 guiding the implementation of Decision No.173/1998/QD-TTg dated September 12, 1998 of the Prime Minister;
- ✓ Decision No.418/1998/QD-NHNN7 dated December 11, 1998 of the Governor of the State Bank of Vietnam on amending, supplementing some articles of the above Circular 08;
- ✓ Decision No.314/1999/QD-NHNN7 dated September 9, 1999 amending some articles of the above Decision 418.

Circular 05 applies to Vietnamese economic institutions; foreign invested enterprises and foreign parties to business cooperation contracts; branches of foreign companies; foreign contractors, contractors associated with foreign entities; State organs, arm force units, political organizations, socio-political

organizations, professional-social organizations, charity social funds; and competent banks.

Under Circular 05, economic organizations must sell at least 40% and social organizations must sell 100% respectively of foreign currencies amount generated from current transactions to a bank in accordance with the formalities and forms set out in Circular 05. The above mentioned organizations shall be entitled to purchase foreign currencies at competent banks, provided that they must submit properly requested documents to the bank.

Taxes, Financial and Accounting Regime Applicable to Duty Free Shops

The Ministry of Finance issued on May 28, 2001 **Circular No.37/2001/TT-BTC** on supplementing some regulations of Circular No.42/1999/TT-BTC dated April 20, 1999 guiding the implementation of the above captioned matter.

Under Circular 37, from June 13, 2001, duty free shops are allowed to sell up to USD300 of goods to foreign experts who are executing ODA projects in Vietnam and to Vietnamese residing overseas who enter into Vietnam following invitations of Vietnamese State organs.

Trade

Trading in Guarding Services

The Government issued on April 25, 2001 **Decree No.14/2001/ND-CP** on managing business activities in guarding services, effective from May 9, 2001.

Decree 14 sets out the following guarding services business activities:

- ✓ Trading in human guarding services;
- ✓ Trading in guarding services of assets and goods;
- ✓ Manufacturing, repairing means, equipment specifically used for guarding activities;

Decree 14 does not allow foreign organizations and individuals, Vietnamese residing overseas, foreign invested enterprises and enterprises of Vietnamese residing overseas to set up and trade in guarding services. Also, those entities are not permitted to directly carry out guarding services, except for the activities of production, repairing of means and equipment specifically used for guarding activities. The entities engaged in guarding services are all required to obtain the Certificate of full conditions for trading in guarding services.

Competition Law

The first draft of **Law on Competition** has been finally promulgated after a long time of waiting to collect comments from nation-wide organizations and enterprises.

The draft Law includes 7 Chapters and 60 Articles. In which, Chapter I named "General provisions" which comprises applicable scope, applicable subjects and principles of competition. Applicable subjects shall be all individuals and organizations trading goods and services in Vietnamese market; Chapter II named "Restrictions on Competition Agreement" which sets forth the restriction on competition agreements to be prohibited, including directly or indirectly deciding goods/services' price; sharing market or goods/services supplying resources; restricting, controlling quantity of production, purchasing/selling power of goods/services; entering into collusion with others in bidding etc.; Chapter III named "Monopoly position abuses" includes actions to be prohibited such as: directly or indirectly intentional increasing price of goods/services; decreasing price of goods/services to lower than goods/services' costs for maintaining position; unreasonable impeding competitors to enter into market etc.; Chapter IV named "Corporate mergence, integration and purchases"; Chapter 5 named "Unfair competition acts" and the two last Chapters are "State management" and "Dealing with violations".

"The first draft of Competition Law with 7 Chapters and 60 Articles has been finally promulgated in order to collect comments from nation-wide enterprises"

Notably, the State will remain State's monopoly in some fields which could affect on public interests and security with the aims at generating the key industries such as telecommunication, petroleum and gas, aviation and consequently stabilizing and developing the country economy. The draft Law is estimated to be issued in 2003 after ten times amending.

Selling Price of Unleaded Gasoline

According to **Decision No.665/2001/QD-TTg** issued by the Prime Minister on May 30, 2001, the maximum selling price of unleaded gasoline applied in the whole nation are as follows: RON 92 - VND5,300/l; RON 90 - VND5,100/l. The maximum selling price of other kind of unleaded gasoline shall be regulated by Government's Department of Pricing.

Business Mode of Temporary Import Gasoline and Petroleum for Re-export

On June 12, 2001, the Ministry of Trade issued **Decision No.0602/2001/QD-BTM** amending and supplementing the Regulation on business mode of temporary import gasoline and petroleum for re-export issued in conjunction with Decision No.0123/1999/QD-BTM dated February 4, 2001 of the Ministry of Trade. Accordingly, the purchasing activities of gasoline and petroleum from foreign countries for sale purpose to Vietnamese enterprises to supply for foreign sea going vessels which moored at Vietnamese port shall be deemed as temporary import for re-export. Provided however that this gasoline and petroleum shall not be allowed to use in any other purposes. Decision 0602 entered into force from July 1, 2001.

Bidding

Bidding Projects of the Ministry of Agriculture and Rural Development

Ministry of Agriculture and Rural Development issued **Circular No.50/2001/TT-BNN-VDCB** on May 3, 2001 guiding the implementation of the Regulation on bidding the Agricultural and Rural Development's projects.

Circular 50 provides guidelines in detail on criteria for assessing tendering dossiers as regulated in Circular No.04/2000/TT-BKH of the Ministry of Planning and Investment, including:

- ✓ Criteria for appraisalment of consultants selection tendering dossier;
- ✓ Criteria for appraisalment of construction preliminary selection tendering dossier;
- ✓ Criteria for appraisalment of construction tendering dossier;
- ✓ Criteria for appraisalment of small construction bid package tendering dossier;

Furthermore, Circular 50 provides guidelines on formalities of applying tendering dossier, considering, submitting for approval of bidding results and bidding appointment etc. Circular 50 comes into force from May 18, 2001 and replaces Circular No.08/NN-DTXD/TT dated September 20, 1997 and Circular No.19/1999/TT/BNN-DTXD dated January 26, 1999 of the Ministry of Agriculture and Rural Development guiding the implementation of the Regulation on bidding with respect to the projects of the Ministry of Agriculture and Rural Development.

Culture-Education

Foreign Cultural and Educational Institutions in Vietnam

Decree No.18/2001/ND-CP was issued on May 4, 2001 by the Government on setting up and operations of foreign cultural and educational institutions in Vietnam ("FCEIs"), effective as from May 19, 2001.

FCEIs to be established in Vietnam to develop education and cultural exchanges for none-profits purposes are encouraged under this Decree, particularly in the areas of training, improving and enhancing skills in fields of culture, art, and information; training highly educated technical workers, scientists and managers; co-operatively developing cultural works and so forth.

FCEIs are established in Vietnam under the forms of representative office; associated institution; and independent institution. FCEIs in Vietnam are entitled to recruit employee, to import necessary means and equipment for the operations, to open account at a bank allowed operating in Vietnam.

The Law on Cultural Heritage Promulgated

On June 14, 2001, the 9th Congress of Xth National Assembly ratified the whole 7 Chapters and 73 Articles of the **Law on Cultural Heritage**.

In comparison with 1984 Law, this Law is considered as being completely newly issued. The National Assembly's members have discussed and paid deeply attention on almost articles of this Law before ratifying. Notably, the Law on Cultural Heritage recognizes a new sort of cultural heritage, namely "intangible cultural heritage", instead of only "tangible cultural heritage" which was protected under the 1984 Law. Particularly, the new Law also determines clearly the ownership of all culture heritages and the State management of heritages of Vietnam in preventing the illegal outflow of artefacts and enhancing sense and roles of the people in protecting cultural heritages of Vietnam.

Tourism

Trading in Travel Tourism and Tourist Guide

Decree No.27/2001/ND-CP on trading in travel tourism and tourist guide was issued by the Government on June 5, 2001 with an aim at guiding the Ordinance No.11/1999/PL-UBTVQH10 dated February 8, 1999.

Decree 27 applies to Vietnamese organizations and individuals of all economic sectors and foreign entities doing business in Vietnam under the Law on Foreign Investment in Vietnam to do business in fields of travel tourism and tourist guide.

The above entities trading in travel tourism must obtain business registration Certificate and deposit VND50 millions for doing business domestically and VND250 millions for doing business internationally.

Tourist guides are all required to obtain tourist guide card for doing in this sector and they shall be granted with the card if they satisfy the following requirements:

- ✓ Having full civil capacity;
- ✓ Being not gotten in contagious disease and they are not drug addict;
- ✓ Being bachelor upwards and having training certificate of tourist guide issued by authorized body;
- ✓ Being foreign language bachelor or having tourism foreign language certificate issued by authorized body.

Decree 27 comes into effect after 15 days from its signing date.

Trading in Tourist Accommodations

According to **Circular No.01/2001/TT-TCDL** of General Department of Tourism, issued on April 27, 2001, guiding the implementation of Decree No.39/2000/ND-CP dated August 24, 2000 of the Government on tourist accommodation institutions, the hotel trading in tourist accommodation institutions must have at least 10 bed rooms and rest house trading in tourist accommodation institutions is equipped with 9 bed rooms and downward. Business entities engaged in tourist accommodation institutions have to comply with applicable regulations on operating permits and business conditions, except in case stipulated in Article 8, Decree 39.

Cosmetic-Foodstuff

Registration of Cosmetics Circulation

Decision No.19/2001/QD-QLD was promulgated by Health Ministry's Drug Administration on April 27, 2001 temporarily providing for circulating registration of imported cosmetics directly affected on human's health.

To circulate foreign cosmetics imported into Vietnam, import enterprises have to apply for registration at the Health Ministry's Drug Administration. After carrying out necessary inspection, the Health Ministry's Drug Administration will issue the Certificate of cosmetics circulation, of which the expiry shall be 5 years and may be extended. Cosmetics going to be registered to circulate in Vietnam must not contain some substances as set out in the List attached to this Decision.

Promulgation of Foods Quality Standard

Decision No.2027/2001/QD-BYT temporary providing for the promulgation of nutrition quality standard was issued by the Ministry of Health on May 30, 2001, which comes into effect after 15 days from the signing date and replaces Decision No.996/2001/QD-BYT Dated March 30, 2001.

Under Decision 2027, mother's milk substitute products must be registered its quality, hygiene and safe with the Ministry of Health prior to consumption on the market. The others which are not mother's milk substitute products must be promulgated its quality standards.

Intellectual Properties

Author's Rights

The Ministry of Culture and Information issued on May 10, 2001 **Circular No.27/2001/TT-BTC** guiding the implementation of Decree No.76/CP dated November 29, 1996 and Decree No.60/CP dated June 6, 1997 of the Government on guiding the implementation of a number of provisions on author's right of Civil Code.

Under the Circular, the State will protect novels of Vietnamese authors; novels belonging to the ownership of Vietnamese individuals, legal entities and organizations; novels of foreigners, foreign organizations, which are created and presented under the certain forms in Vietnam; novels of foreigners and foreign organizations firstly promulgated and diffused in Vietnam; and novels of foreigners, foreign entities which are protected in Vietnam under the international agreement in which Vietnamese Government signed or joined.

Domestic and foreign entities wishing to protect their novels in Vietnam can, by themselves or through organizations providing author's right services, which are organizations to be allowed trading in services and legal advice of author's rights, apply for granting Certificate of author's right by the Department of

Copyright or provincial cultural and information Department. The application dossier comprises: the Application made by Vietnamese and under the standard form; the novel wished to be protected; and identity papers of person who handles the dossier.

Name of Origin of Exported Goods

According to **Dispatch No.251/CP-KTTT** of the Government issued on June 13, 2001, from now on to December 31, 2002, enterprises of all economic sectors are not compulsory to state the name of origin on the label of exported goods. Under this Dispatch, if foreign customers do not require stating the name of origin on the label of exported goods and at request of export enterprises, exported goods without stating the name of origin on the label shall be allowed to export.

Other Documents

Vietnam - Poland Convention on avoidance of double tax imposition and preventing incomes tax evading;

Resolution No.05/2001/NQ-CP dated May 24, 2001 of the Government on adding some solutions for the Governmental economic plans in 2001;

Decree No.15/2001/ND-CP dated May 1, 2001 of the Government on national defense education;

Decree No.19/2001/ND-CP dated May 11, 2001 of the Government on administration violations settlement in the area of radiation safety and radiation safety inspection;

Decree No.23/2001/ND-CP dated May 30, 2001 of the Government on amending and supplementing a number of articles of the Regulation on registration of ships and crew issued in conjunction with Decree No.91/CP dated August 23, 1997;

Decree No.24/2001/ND-CP dated May 30, 2001 of the Government on amending and supplementing a number of articles of the Regulation on management of operations at harbours and navigation areas in Vietnam;

Decree No.25/2001/ND-CP dated May 31, 2001 of the Government on issuing the Regulation on establishment and operations of social sponsoring foundations;

Circular No.27/2001/TT-BTC dated April 27, 2001 of the Ministry of Finance guiding the implementation of financial regime applicable to Vietnam deposit insurance;

Circular No.01/2001/TT-TCBD dated April 25, 2001 of the General Department of Posts on guiding Decision No.46/2001/QD-TTg dated April 4, 2001 of the Prime Minister on management of import and export of goods in 2001-2005 period in respect of goods under the management of the General Department of Posts;

Circular No.14/2001/TT-BTM dated May 2, 2001 of the Ministry of Trade guiding the sale and purchase of goods at Vietnam - China borders;

Circular No.08/2001/TT-CHK dated May 7, 2001 of the Vietnam Civil Aviation Department on guiding the implementation of Decree No.01/2001/ND-CP of the Government on administrative violations settlement in the area of civil aviation;

Inter Circular No.22/2001/TTLT/BTCCBCP-BTC dated May 9, 2001 of the Governmental Officers Organization Board and the Ministry of Finance on guiding the adjustment of living cost index for officers and public servants working for Vietnam's representative offices in foreign countries;

Circular No.30/2001/TT-BTC dated May 16, 2001 of the Ministry of Finance on amending and supplementing the Ministry of Finance's Circular No.129/1998/TT-BTC dated September 22, 1998 guiding the implementation of Decree No.24/CP dated April 17, 1996 of the Government on

administrative violation settlement on tax;

Circular No.08/2001/TT-GTVT dated May 16, 2001 of the Ministry of Transport on wearing helmet when going by motor bike;

Circular No.03/2001/TT-TCBD dated May 22, 2001 of the General Department of Posts guiding the amendments and supplementation of Circular No.03/2000/TT-TCBD dated July 26, 2000 on labeling subscription terminal telecommunication equipment which are manufactured in domestic or imported;

Circular No.02/2001/TT-TCHQ dated May 28, 2001 of the General Department of Customs on customs formalities and management of non-merchant imported motors and motor cycles;

Circular No.04/2001/TT-BKH dated June 5, 2001 of the Ministry of Planning and Investment guiding the implementation of Decision No.64/2001/QD-TTg issued by the prime Minister on April 26, 2001 regarding the promulgation of the Regulation on management and utilization of foreign non-government aids;

Circular No.41/2001/TT-BTC dated June 16, 2001 of the Ministry of Finance regarding additional guidelines for the exemption from and reduction of agricultural land use tax in 2001 under Resolution No.05/2001/NQ-CP;

Circular No.09/2001/TT-BYT dated May 21, 2001 of the Ministry of Health guiding the implementation of import and export of vaccines, biological immune products used for human in 2001-2005 period;

Circular No.13/2001/TT-BYT dated June 18, 2001 of the Ministry of Health providing guidelines for the import and export of chemicals, sterilizing and insects extermination products used in household appliances and medical in 2001-2005 period;

Circular No.04/2001/TT-TCHQ dated June 21, 2001 of the General Department of Customs guiding for customs formalities with respect to imported gasoline and petroleum and temporarily imported gasoline and petroleum for re-export;

Decision No.577/2001/QD-NHNN dated April 26, 2001 of the State Bank of Vietnam promulgating basic interest for credit institutions to define lending interest in Vietnamese Dong;

Decision No.560/2001/QD-NHNN dated April 27, 2001 of the State Bank of Vietnam amending compulsory reservation ratio of credit institutions;

Decision No.236/QD-TTg dated May 7, 2001 of the Government's Office on reorganizing the Management Board of Project for technical assistant to the reorganization of State owned enterprises;

Decision No.09/2001/QD-BKHCMNT dated May 10, 2001 of the Ministry of Sciences, Technology and Environment promulgating Vietnamese Standards;

Decision No.227/2001/QD-BKH dated May 17, 2001 of the Ministry of Planning and Investment on the issuance of the List of materials which are already produced domestically;

Decision No.653/2001/QD-NHNN dated May 17, 2001 of the State Bank of Vietnam issuing Regulation on the implementation of foreign exchange reserve management missions;

Decision No.79/2001/QD-TTg dated May 21, 2001 of the Prime Minister on clarifying the Vietnam - Pakistan Trade Agreement;

Decision No.229/2001/QD-BKH dated May 18, 2001 of the Ministry of Planning and Investment promulgating the list of materials and equipment which are produced domestically served for oil and gas operations;

Decision No.56/2001/QD/BNN-BVTV dated May 23, 2001 of the Ministry of Agriculture and Rural Development on promulgating the list of subjects to be quarantined as plants which are imported, exported, temporary imported for re-export, temporary exported for re-import and transited by the

territory of the Socialist Republic of Vietnam;

Directive No.1641/TCHQ-KTTH dated April 25, 2001 of the General Department of Customs on tax policies;

Dispatch No.1562/TM-DB dated April 26, 2001 of the Ministry of Trade on statistics data of direct investment;

Dispatch No.1563/TM-DB dated April 26, 2001 of the Ministry of Trade on statistics data of import - export turnover;

Dispatch No.1675 TM/KH dated May 7, 2001 of the Ministry of Trade guiding provincial Trade Department and Tourism Departments to develop strategies for enhancement of import, export and service in the 2001-2010 period;

Dispatch No.1095/TM/XNK dated May 3, 2001 of the Ministry of Trade on import, export activities in the first months of 2001 and some measures to boosting export and management of import;

Dispatch No.1661 TM/DT dated May 7, 2001 of the Ministry of Trade on implementing Decree No.24/2000/ND-CP;

Dispatch No.1366/LDTBXH-QLLDNN dated May 21, 2001 of the Ministry of Labors, War invalids and Social affairs regarding not allow some enterprises to take Vietnamese laborers and experts working in term in foreign countries.

Dispatch No.2268/TCHQ-KTTH dated June 6, 2001 of the General Department of Customs guiding provincial Departments of Customs for objects not to be subject to VAT when they import fixed assets;

Dispatch No.1918 TCT/NV2 dated May 29, 2001 of the Ministry of Finance and the General Department of Customs on defining the ownership's capital

Dispatch No.1921 TCT/NV2 dated May 29, 2001 of the Ministry of Finance and the General Department of Customs on reorganizing the issuance of tax codes;

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Dispatch No.1861 TCT/NV7 dated May 24, 2001 of the Ministry of Finance and the General Department of Customs on expense for the calculation of corporate income tax;

Dispatch No.4708 TCT/TCT dated May 23, 2001 of the Ministry of Finance on taxes policies applied to foreign organizations and individuals who invested in securities in Vietnam;

Dispatch No.449/CP-CN dated May 23, 2001 of the Government on harmonizing ODA capital for 2001 of the Ministry of Transport;

Dispatch No.1948/BTM-QLCL dated May 23, 2001 of the Ministry of Trade on labeling the origin of exported commodities;

Dispatch No.1899 TCT/CS dated May 28, 2001 of the Ministry of Finance and the General Department of Customs on exemption from and reduction of corporate income tax;

Dispatch No.1877 TCT/NV1 dated May 25, 2001 of the Ministry of Finance and the General Department of Customs on tax policies with regards to promotion goods;

Dispatch No.2267/TCHQ-KTTH dated June 4, 2001 of the General Department of Customs regarding the import of equipment served for oil and gas operations;

Dispatch No.1342/TM-XNK dated June 1, 2001 of the Ministry of Trade regarding quotas of textile and garment products exporting to EU's, Canadian and Turkish market;

Dispatch No.17/TB-QLNH dated May 31, 2001 of the State Bank of Vietnam regarding the announcement of cross exchange rate between Vietnamese Dong and some foreign currencies.