



## NEWSLETTER MAY 2020

In this new edition, you can read about the draft version of the decree on recruiting foreign employee in Vietnam as well as the draft resolution to support businesses after the COVID-19 pandemic. We also provide you with some other news and regulations which we thought might be of interest.

### LEGAL INSIGHTS



#### **DRAFT DECREE ON RECRUITING FOREIGN EMPLOYEES IN VIETNAM**

The draft decree changes requirements related to the work permits for CEOs, experts, sport coaches, artists and teachers. The procedure to obtain an exemption will change and more documents will need to be submitted. The time that no work permit is required is likely to be shortened to 20 days. Finally, the requirements related to people coming to Vietnam for less than 3 months to perform certain tasks will change as well.



#### **DRAFT RESOLUTION TO SUPPORT BUSINESSES AFTER COVID-19 PANDEMIC**

The draft resolution contains measures related to tax, loans, labour, import & export, incorporation and business promotion that will support businesses and individuals to cope with the negative impact of the Covid-19 pandemic. This further to measures that have already been taken, such as the ones set out in Decree 41.

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# LAWS & REGULATIONS

## **Decree No. 35/2020/ND-CP**

Decree 35 provides details on the implementation of some articles of the Law on Competition. It regulates the specific thresholds numbers related to merger control, defines control and influence which are important for M&A transactions, and mentions factors which will or could impact the anti-competitive nature of agreements. Decree 35 entered into force on 15 May 2020.

## **Decree No. 37/2020/ND-CP**

Decree 37 amends the list of industries benefitting from investment incentives attached to Decree No. 118/2015/ND-CP dated 12 November 2015 related to the Law on Investment. It allows various business investments that assist SMEs to qualify for investment incentives, such as: product distribution chains, technical assistance, etc. Decree 37 entered into force on 15 May 2020.

## **Decree No. 56/2020/ND-CP**

Decree 56 provides regulations on the management and use of official development assistance (ODA) capital and preferential loan capital of the foreign donors. It applies to organisations and individuals participating or relating to ODA capital provided to the State Authorities. Decree 56 entered into force on 25 May 2020.

## **Decree No. 57/2020/ND-CP**

Decree 57 amends Decree No. 122/2016/ND-CP dated 1 September 2016 related to schedules of import tariffs and preferential import tariffs, list of goods and its flat tax, compound tariff, and out-of-quota import tariffs and Decree No. 125/2017/ND-CP dated 16 November 2017 amending and supplementing a number of articles of Decree No. 122/2016/ND-CP. It adds new preferential import tariffs for specific goods not yet domestically manufactured. Decree 57 will enter into force on 10 July 2020.

## **Circular No. 4/2020/TT-BGDĐT**

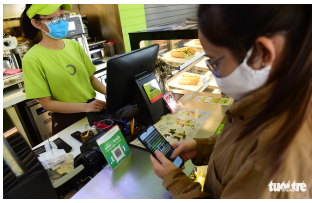
Circular 4 provides detailed guidance on Decree No. 86/2018/ND-CP on foreign cooperation and investment in education sector, including integrating the Vietnam's educational programs with foreign educational programs, compulsory educating and training for Vietnamese citizens in foreign-invested education establishments. Circular 4 entered into force on 5 May 2020.

# OTHER NEWS



## **Developers dine on industrial land**

As Vietnam has emerged as an attractive option for companies seeking to diversify their manufacturing operations, industrial zone developers are planning to expand their land banks to welcome new investments heading to the country. ([VIR](#))



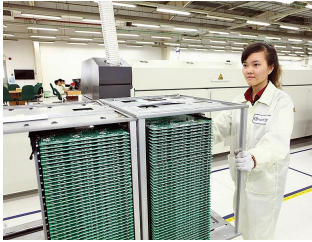
### Vietnamese consumers embrace cashless transactions amid COVID-19 pandemic

The novel coronavirus disease (COVID-19) pandemic has led to a surge in electronic payments as a growing number of Vietnamese households are opting for online shopping. ([TuoiTre](#))



### Vietnam ready for swift actions to boost economy

The ongoing health crisis has been taking a heavy toll on the Vietnamese economy. Deputy Minister of Planning and Investment Tran Quoc Phung talked with Ha Nguyen about Vietnam's need to develop a new economic model of high resilience and swift responses to possible shocks. ([VIR](#))



### Vietnam sets up special working group to ride wave of investment relocation

The special working group would create an impetus for the formulation of new policies in order to catch the investment capital inflows early from multinational groups, which are diversifying investment locations and repositioning manufacturing facilities after the COVID-19 pandemic. ([VIR](#))



### Environmental protection at center of development

Environmental protection will be put at the center of development, according to a draft on the amended Environmental Protection Law that Minister of Natural Resources and Environment Tran Hong Ha presented to the National Assembly at a meeting today, May 26. ([SaigonTimes](#))

# CONTACT US



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# ACS

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