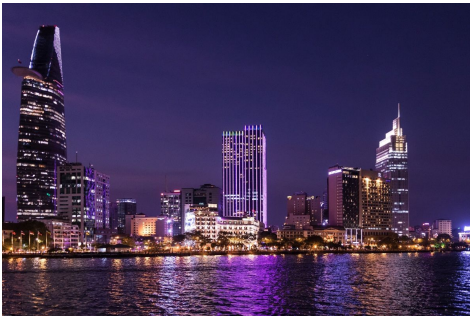




## NEWSLETTER JUNE 2020

In this new edition, you can read about the changes that the recently approved Law on Enterprises and Law on Investment will mean for you and your business. You can also find information on the first-time ever webinar in Vietnam on third-party funding that ACSV Legal is organising with the DBAV and which is co-hosted by the SCLVN. We also provide you with some other news and regulations which we thought might be of interest.

### LEGAL INSIGHTS



#### LAW ON INVESTMENT 2020 APPROVED

The law changes the foreign ownership ratio for defining a Foreign Invested Entity. There are several changes with regard to incentives, business lines. Also more clarity is given on which law prevails in certain circumstances related to investment. An important point is also the change related to the requirement of obtaining an M&A approval.



#### LAW ON ENTERPRISES 2020 APPROVED

Some important changes are that a digital signature will have equal validity as an original seal and the rights of minority shareholders will be protected better. Other changes are related to corporate governance for JSCs. The amended law also will imply less administrative hassle.

[READ MORE](#)

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# LAWS & REGULATIONS

## **European Union-Vietnam Free Trade Agreement**

The EVFTA is expected to enter into force in August 2020. By 2025 Vietnam's GDP is expected to have increased by 4.6% and its exports to the EU by 42.7%. The European Commission has forecasted that by 2035 the EU's GDP will increase by USD29.5 billion. The EVFTA abolishes almost 99% of import duties between the EU and Vietnam; 65% of duties on EU exports to Vietnam will be eliminated upon the entering into force while the remaining will be gradually phased out over a period of 10 years, while 71% of duties on Vietnam exports to the EU will be eliminated, with the remaining being phased out over a period of 7 years. Read our [update](#) for more information.

## **Decree No. 66/2020/ND-CP**

This Decree amends the Government's Decree No. 68/2017/ND-CP dated 25 May 2017 on management and development of industrial clusters. It provides a more optimised schedule as well as various incentive policies for developing the industrial clusters. Decree 66 will enter into force on 1 August 2020.

## **Decree No. 46/2020/NC-DP**

This Decree stipulates customs procedures, customs inspection and supervision of goods in transit through the ASEAN Customs Transit System to implement Protocol 7 on the System Customs transit system (**ACTS**). It also prescribes the authorisations granted to enterprises conducting transit of goods through the ACTS as well as the procedure for guarantee, cash deposit and recovery of customs debt in respect of goods in transit through the ACTS. Decree 46 entered into force on 1 June 2020.

## **Circular No. 13/2020/TT-BCT**

This Circular amends, supplements and abrogates some provisions on conditions for business investment under the field of state management of the Ministry of Industry and Trade. Some notable field subjected to the latest business investment conditions are: food and beverage, electricity, chemicals, and minerals. Circular 13 will enter into force on 3 August 2020.

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# OTHER NEWS



## **Vietnam to lead SEA on sustainable energy transition: UK ambassador**

British Ambassador to Vietnam Gareth Ward on Wednesday anticipated that Vietnam is poised to become a leader of the sustainable energy transition in Southeast Asia without needing to make a trade-off between economic growth and sustainable energy use. ([TuoiTre](#))

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## Hanoi should become one of East Asian centres by

### 2045: PM

By 2045, when Vietnam becomes a developed country, Hanoi must have developed into one of the political, economic and cultural centres in East Asia, according to Prime Minister Nguyen Xuan Phuc. ([VIR](#))



## M&A deals could help businesses restructure amid pandemic

Merger and acquisition (M&A) deals will likely increase post-pandemic which industry insiders see as a chance for enterprises to restructure their operations to be more viable. ([VietnamNews](#))



## Enterprises seek ways to boost agricultural and aquatic exports

Vietnamese enterprises need to improve product quality, build their brands, and ensure product traceability to increase the exports of agricultural and aquatic products, experts said at a seminar on June 26 in HCM City. ([VietnamNews](#))



## To pave the way for attracting giants

Many international institutions, investors and economic experts have noted that Vietnam is having an opportunity to attract the huge international capital flow. However, they have also delved into the issue of whether the country can take advantage of this opportunity, especially the issue of high-quality human resources, one of the major bottlenecks to this endeavor. ([SaigonTimes](#))



## Wind energy development marks strategic step in long-term planning

In the context of increasing demand for sources of electricity for the purpose of boosting socio-economic development, renewable energy has been marked by Vietnamese enterprises as a strategic step towards participating in a larger market. ([VOV](#))

# EVENT



## FIRST TIME EVER WEBINAR IN VIETNAM ON THIRD-PARTY FUNDING

A webinar organised by the Dutch Business Association Vietnam and ACSV Legal, co-hosted by the Society of Construction Law Vietnam.

This first time ever event focusses on the use of third-party funding to to sponsor litigation and arbitration cases involving a Vietnamese party. Prominent speakers with a background in litigation, expert evaluation, mediation and arbitration will share their knowledge and experience about mixed-model dispute resolution

in the first session and third-party funding in the second session.

The webinar will take place on 15 July 2020 from 2-4 p.m. VN Time / 3-5 p.m. Singapore and Hong Kong Time.

It will be conducted in English and a video recording with Vietnamese subtitles will be circulated to registrants after the webinar.

Interested to learn more, please read the [agenda](#) and register [here](#) for free.

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# CONTACT US



If you have questions, please get in touch with us at [marketing@acsvlegal.com](mailto:marketing@acsvlegal.com) or your usual ACSV Legal contact.

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# ACSV

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