


## Draft conditions for opening offices of foreign traders

**The Ministry of Industry and Trade has released a draft decree detailing the conditions for a foreign trader to obtain a license to open a representative office or branch location.**

Under the draft, a foreign trader will be granted a license for establishment of a representative office in Vietnam if meeting five conditions:

- Being a lawful trader, as recognised by the country or territory where he/she/it is established or has registered its business;
- Having operated for at least one year from the date of establishment or business registration;
- Basing his/her/its representative office at a place allowed by law;
- Locating only one of his/her/its representative offices at a single location;
- And satisfying the conditions on the area of the place where his/her/its representative office will be based, which must be at least 16 square meters in size.

 For a foreign trader who wishes to obtain a license for establishment of branch in Vietnam, the above conditions will also **apply**, except for the condition which states that the foreign trader must have operated for at least one year from the date of establishment or business registration. Instead, the trader is required to have operated for at least five years from the date of establishment or business registration.

The draft also guides procedures for granting an establishment license. Accordingly, a foreign trader would submit directly, by post or online, one dossier to the provincial-level Department of Industry and Trade or Management Board of the locality where the foreign trader intends to base a representative office. Within seven working days after receiving the dossier, the Department or Management Board will examine it and decide whether to grant a license.

A representative office or branch establishment license would be valid for five years, but must not exceed the remaining duration of the foreign trader's business registration certificate or other equivalent document.

The draft's provisions would apply to representative offices of foreign traders engaged in the trading of goods and related activities, and activities in fields not yet prescribed in specialised laws; and Vietnam-based branches of foreign traders that provide computer, management consultancy, construction, technical, and commercial franchise services.

The ministry is calling for public comments about the draft at its website [www.moit.gov.vn](http://www.moit.gov.vn).

Source: <http://www.intellasia.net/>