


Investment law ready to carry out

New points in the Investment and Enterprise Law 2014, which go into effect next month, caught the attention of business players attending a seminar in HCM City yesterday.

 The Investment Law has regulations that mark significant progress in administrative overhaul, including slashing the time to process foreign investment registrations from 45 to 15 working days.

It also raises the responsibility of investors, particularly through deposit requirements and equipment quality appraisals.

Based on reviews of 386 business sectors, the new investment law specifically regulates a list of valid business areas and six that are prohibited.

It also streamlines the share purchase process, saying that any entity with more than 51 per cent of its assets and charter capital held by foreigners is to be treated as a foreign-invested firm, said deputy director of the Ministry of Planning and Investment's Legal Department Quach Ngoc Tuan.

New points in the Enterprise Law include business registration certificates with information regarding business codes, headquarters addresses and legal representatives. Business areas will be declared in business registration application forms.

The law also abolishes some requirements for professional certificates, shortens business registration timelines and adds criteria for State business executives.

It also requests the release of transparent information from firms with State capital up to international standards, among others, said the head of the Central Institute for Economic Management's Business Environment and Competitiveness Department Phan Duc Hieu.

The Investment and Enterprises Law was designed to uphold the business freedom of enterprises while simultaneously focusing on equal treatment between domestic and foreign investors to ensure they comply with international treaties.

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