

OCTOBER 2016

▶ **Hanoi Office:**

6th Floor, ATS Tower
252 Hoang Quoc Viet
Bac Tu Liem District, Hanoi
Tel: 84-4-3751 1888
Fax: 84-4-3754 3888

▶ **Ho Chi Minh Office:**

9th Floor, TNR Tower,
180 – 192 Nguyen Cong Tru Street
District 1, Ho Cho Minh City
Tel: 84-8-6288 4677
Fax: 84-8-6288 4692

Email: partners@atslegal.vn



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**REVOCAION OF THE CERTIFICATE OF REGISTRATION OF INVESTMENT IN THE FORM OF
PUBLIC-PRIVATE PARTNERSHIPS**

On June 28, 2016, the Ministry of Planning and Investment issued the Circular No. 06/2016/TT-BKHDT guiding a number of articles of Decree no. 15/2015/ND-CP dated February 14, 2015 by the Government on investment in the form of public-private partnerships. Within 30 days from the day on which the application for revocation of the Certificate of investment registration prescribed in point b of this Clause is received, the Certificate-issuing agency shall make a decision to revoke the Certificate.

Regarding project operated according to the Certificate of investment registration (also the Certificate of Business registration) or the investment license, the investment registry shall decide to terminate the registration in the Certificate of investment registration (also the Certificate of Business registration) or the investment license.

If the modification of the project or the amendment to the project contract does not change the contents of the Certificate of investment registration, the investor shall send the Certificate-issuing body a notification of the modified contents enclosed with documents related to such modification or amendment for retention and supervision.

For cases of modification of name of the project, address or legal representative of the investor, the competent agency or other information related to the investor, the investor shall send a written application for modification of the Certificate of investment registration. The Certificate-issuing body shall consider modifying the Certificate of investment registration within 05 working days from the day on which the satisfactory application as specified in this clause is received.

This Circular takes effect on September 20, 2016.

See more:

[Circular No. 06/2016/TT-BKHDT](#)

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CREDIT INSTITUTIONS ARE ENTITLED TO OVERDRAFT FOR COMPENSATE FOR THE SHORTAGE OF CAPITAL IN THE INTER-BANK ELECTRONIC PAYMENT

Takes effect on March 25, 2017, the Circular No. 29/2016/TT-NHNN dated October 12, 2016 stipulating overdraft and overnight lending applicable in the inter-bank electronic payment, to allow credit institutions to make payment in excess of the credit balance in their Vietnamese dong clearance account opened at the Banking Operation Department of the State Bank of Vietnam, Credit institutions are entitled to overdraft for compensate for the shortage of capital in the inter-bank electronic payment.

Besides, State Bank of Vietnam extends loans secured by the mortgage of valuable papers to credit institutions within the period of time commencing from the previous working day to the following working day, overnight to pay overdraft items at the end of working day. Valuable papers used in overdraft and overnight lending applicable in the inter-bank electronic payment at the Vietnam State Bank must satisfy the conditions as they are permitted for use in transactions with and payment to the State Bank of Vietnam in accordance with provisions of applicable laws; can be transferred; are issued in Vietnamese dong; the remaining payment term is 30 days and they must be in the list of valuable papers used on overdraft and overnight lending applicable in the inter-bank electronic payment at the Vietnam State Bank decided by the State Bank Governor.

The interest rate applicable to overnight lending shall be stipulated by the Governor of the State Bank of Vietnam in each period; the interest rate applicable to overdue overnight outstanding principle is 150% of overnight lending as stipulated at the time of lending; interest rate applicable to late payment of overnight lending is 10%/year.

In according to this Circular, credit institutions whose outstanding balance of overnight lending is overdue for 3 consecutive times in a month, the State Bank shall pause overdraft and overnight lending applicable in the inter-bank electronic payment in 10 working days since the State Bank notifies on pausing overdraft and overnight lending, excluding cases that is irresistible and notify to the State Bank.

See more:

[Circular No. 29/2016/TT-NHNN](#)

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ORDINARY DUTIES ON IMPORTS APPLIED FOR MANY PRODUCTS

On September 01, 2016, the Prime Minister issued the Decision No. 36/2016/QD-TTg dated September 01, 2016 of the Prime Minister on application of ordinary import duties according to Point c Clause 3 Article 5 of the Law on Export and import duties.

Accordingly, ordinary import duty of 5% shall be applied for many kinds of products such as: smart cards; Answer phones; Vacuum; Uninterruptible Power Supply; automatic payment machines; electronic computers; Laundry machines; offset printers; laser printers....

For ordinary duties on imports that are not listed in the Appendix enclosed herewith and are not eligible for concessional duties or special concessional duties specified

in Clause a and b Article 5 of the Law on Export and import duties No. 107/2016/QH13 shall be equal to 150% of the concessional duty rates on corresponding articles specified in Appendix II of Decree No. 122/2016/ND-CP dated September 01, 2016.

See more:

[Decision No. 36/2016/QD-TTg](#)

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PRINCIPLES OF MANAGING AND USING FEES AND CHARGES

On August 23, 2016, the Government promulgates the Decree No. 120/2016/ND-CP on detailing and guiding the implementation of a number of Articles of the Law on Fees and Charges.

Under this Decree, fees from public services provided by state agencies shall be paid to state budget, except for cases where expenses for activities of provision of such public services are deducted from the sum of collected fees; the remaining amount (if any) shall be paid to state budget.

Of which, State agencies that are eligible to retain a predetermined amount of collected fees for maintaining their activities: agencies implementing financial policies as referred to by the Government or Prime Minister with respect to the autonomy in the use of employees on payroll and administrative expenditures by state agencies; overseas Vietnamese representative missions; Police or national defense forces that are tasked with providing services and collecting fees to serve the state management tasks in accordance with regulations of the Law on fees and charges.

Annually, collectors must make final settlement of collections and expenditures as regulated. Collectors shall carry out the final settlement of collected fees and charges in 2016 in accordance with the Ordinance on fees and charges and regulations of the law on tax management. After making the final settlement, the unused amount of fees left during the year shall be carried forwards to the following year for spending as regulated up to January 01, 2018, and the entire remaining amount of collected fees must be transferred to state budget.

This Decree takes effect on January 01, 2017.

See more:

[Decree No. 120/2016/ND-CP](#)

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GUIDELINES ON LATE PAYMENT INTEREST FOR TAX DEBTS

On August 12, 2016, the Ministry of Finance promulgated the Circular No. 130/2016/TT-BTC guiding the Government Decree No. 100/2016/ND-CP on the implementation of the Law on amendments to certain articles of the Law on value added tax, the Law on special excise tax and the Law on tax administration and to certain articles of tax-related circulars.

Under this Circular, late payment interest for tax debts that ensue on and after July 01, 2016 shall add up at the daily rate of 0.03% of the deferred amount of tax. If a taxpayer declares tax inadequately for a tax period before July 01, 2016 though such incident is exposed by a competent government authority through inspection or is voluntarily detected and announced by the taxpayer after July 01, 2016, late payment interest shall be imposed at the rate of 0.05% per day (or another rate defined in legislative documents from time to time) from the payment deadline as defined in the laws to the 30th of June 2016 inclusive.

However, the daily rate of late payment interest, from July 01, 2016 to the date that the taxpayer pays the tax to the state budget, is 0.03% of the insufficient amount of tax. For value added tax, a business that has an amount of remaining deductible input VAT of at least VND 300 million on its exported goods and services in a month (if declaring the tax every month) or in a quarter (if declaring the tax every quarter) shall be given a refund of monthly or quarterly VAT; however, the remaining deductible input VAT of less than VND 300 million in a month or quarter shall be carried forward to the subsequent month or quarter.

Especially, the tax rate of 0% is not applicable to overseas reinsurance; technology transfer, overseas transfer of intellectual property; capital transfer, granting of credit, outward securities investment; financial derivatives services; outbound postal and telecommunications services; Petroleum supplied domestically to motor vehicles of the businesses that operate in free trade zones; Online payment services...

This Circular takes effect on July 01, 2016.

See more:

[Circular No. 130/2016/TT-BTC](#)

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RULES OF ORIGIN PROVIDED FOR IN VN - EAEU FTA

On September 20, 2016, the Ministry of Industry and Trade issued the Circular No. 21/2016/TT-BCT providing for the implementation of rules of origin provided for in the free trade agreement between Vietnam and Eurasian Economic Union, the rules of origin provided for in this Circular shall be applied only for the purposes of granting preferential tariff treatment.

In accordance with this Circular, preferential tariff treatment in accordance with this Circular shall be granted to originating goods provided that such goods are transported directly from the territory of the exporting Party to the territory of the importing Party. Originating goods may be transported through the territory of one or more third countries, provided that: transit through the territory of a third country is justified for geographical reasons or related exclusively to transport requirements; the goods have not entered into trade or consumption there; and the goods have not undergone any operation there other than unloading, reloading, storing or any necessary operation designed to preserve their condition.

A declarant shall submit appropriate documentary evidence to the customs authorities. Such evidence shall be provided to the customs authorities of the importing Party by submission of the transport documents covering the passage from the territory of a Party to the territory of the other Party containing: an exact description of the goods; the dates of unloading and reloading of the; and where applicable; the commercial invoice in respect of the goods. If a declarant fails to provide the customs authorities of the importing Party with documentary evidence of direct consignment, preferential tariff treatment shall not be granted.

This Circular takes effect on October 05, 2016.

See more:

[Circular No. 21/2016/TT-BCT](#)

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TEMPORARILY IMPORT FOR RE-EXPORT FROZEN FOODS

MUST PAY A DEPOSIT OF VND 10 BILLION

This is the content prescribed at the Decree No. 77/2016/ND-CP dated July 01, 2016 on amending and supplementing a number of provisions on investment and business conditions in the fields of international goods trading, chemicals, industrial explosives, fertilizers, gas trading, and food trading under the state management of the Ministry of Industry and Trade.

In particular, the following goods may be temporarily imported for re-export under certain conditions used goods; frozen foods and goods liable to excise tax. Within that, an enterprise that wishes to temporarily import for re-export frozen foods on the List issued by the Minister of Industry and Trade must meet the conditions such as paying a deposit of VND 10 billion at a credit institution located in the province or city where the enterprise's warehouse or storage yard; having a warehouse or storage yard serving the temporary import for re-export of frozen foods, within that a warehouse or storage yard must have a storage capacity of at least 100 40-foot refrigerated containers and a minimum area of 1,500 m². It shall be separated from the outside with solid fences at least 2.5 m high, must have a way for container vehicles to move into and out, and have an entrance gate hung with a signboard of the enterprise; and a warehouse or storage yard must have sufficient power supply sources (including the grid power source and power generators of equivalent output) and special-use equipment to operate refrigerated containers matching its storage capacity...

This Decree takes effect on July 01, 2016.

See more:

[Decree No. 77/2016/ND-CP](#)



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For more information about our Law Bulletin and Legal Services, please contact us:

Mr. Tran Gia The - Managing Partner

Email: thetg@atslegal.vn

Mrs. Vu Thi Thu Ha - Partner | Director

Email: havtt@atslegal.vn

► **Hanoi Office:**

6th Floor, ATS Tower, 252 Hoang Quoc Viet
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Tel: 84-4-3751 1888
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Tel: 84-8-6288 4677
Fax: 84-8-6288 4692
Email: partners@atslegal.vn
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