

Country (Region) Guides for Outward Investment Co-operation

Vietnam south

(2022 edition)

International Trade and Economic Co-operation Research Institute, Ministry of Commerce Economic and Commercial Affairs Division, Embassy of China in Vietnam Foreign Investment and Economic Co-operation Department,

Ministry of Commerce

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The report of the twentieth CPC National Congress points out that it is important to promote a high level of opening up to the outside world, to enhance the quality and level of trade and investment cooperation, to accelerate the building of a strong trading nation, to promote the high-quality development of the "One Belt, One Road", to participate deeply in the division of labour and cooperation in the global industry, and to safeguard a diversified and stable international economic pattern and economic and trade relations.

Guided by Xi Jinping's thought of socialism with Chinese characteristics in the new era, the Ministry of Commerce comprehensively implements the spirit of the 20th CPC National Congress, and in accordance with the principle of "government-guided, enterprise-led, and market-orientated operation", it encourages and supports strong, reputable and internationally competitive enterprises to go out to carry out outward investment and cooperation in a steady and orderly manner, and actively participate in the construction of the "Belt and Road". It will also actively participate in the co-construction of the "One Belt, One Road", guide and serve China's enterprises to actively integrate into the global industrial chain supply chain, and continuously improve the quality and level of outward investment and co-operation. In 2021, China's outward foreign direct investment flow will reach US\$178.82 billion, an increase of 16.3 per cent over the previous year, ranking second in the world;

Seventy-nine Chinese enterprises have been listed in the Engineering News-Record (ENR) 2022 "Top 250 International Contractors", and continue to top the list. Chinese-funded enterprises are making rational and effective use of resources in overseas markets, actively engaging in international cooperation and competition, contributing to the economic and social development of host countries, and injecting vitality into the global economic recovery.

In order to better help enterprises understand and familiarise themselves with the local business environment and effectively prevent and resolve various risks, the Institute of International Trade and Economic Cooperation (IITEC) of the Ministry of

Commerce (MOFCOM) and the business agencies of embassies and consulates in foreign countries have compiled the 2022 edition of the "Country (Place) of Outward Investment Co-operation".

The Guide covers 129 countries and regions. The Guide covers 129 countries and regions, reflecting comprehensively and objectively the macroeconomic situation, laws and regulations, economic and trade policies, business environment and other matters of concern to enterprises going abroad in the countries (regions) where OFDI cooperation takes place, as well as paying further attention to relevant policies and regulations, current development status and international cooperation on digital economy and green development in the relevant countries (regions), and adjustments in economic and trade policies since the epidemic.

We hope that the 2022 edition of the Guide will be helpful to enterprises that intend to go global and carry out outward investment and cooperation, and we welcome criticisms and valuable opinions from all walks of life. At the same time, we will seriously absorb the useful suggestions and continuously improve our work, so as to make the Guide better and better, and to play a greater role in enhancing the ability and level of enterprises' international operation, coping with all kinds of risks and challenges, and promoting the high-quality development of outward investment and cooperation.

We will be based on the new stage of development, complete, accurate and comprehensive implementation of the new development concept, serve to accelerate the construction of a new development pattern, focus on promoting high-quality development, and innovate in the preparation of the Guide, so as to more accurately and efficiently provide high-quality information services for enterprises going abroad, and to help them go abroad steadily and make progress.

Office for the Preparation of Country
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Message from the Counsellor

Located at the south-eastern tip of the Central South Peninsula, Viet Nam is surrounded by the sea on three sides and has a long, narrow and slightly S-shaped topography. It has a favourable natural environment and rich mineral resources, including large reserves of coal, iron ore, bauxite, copper and rare earths. By the end of 2021, Vietnam's national population was 98.51 million, an increase of 922,000 over the previous year, of which about 72 million were over 18 years old. By 2025, Vietnam's population is expected to exceed 100 million.



Vietnam is a socialist country under the leadership of the Communist Party, with a stable domestic political situation, rapid economic development, and continuous improvement of social livelihoods, with a GDP of US\$362.6 billion in 2021. The 13th National Congress of the Communist Party of Vietnam (CPV) was held triumphantly in January 2021, formulating a programme geared towards the

The Two Hundred Years' Struggle is divided into a three-step strategy, i.e. to basically develop into a lower-middle-income country by 2025, the 50th anniversary of national reunification; an upper-middle-income country by 2030, the 100th anniversary of the founding of the Communist Party of Viet Nam (CPV); and a high-income developed country by 2045, the 100th anniversary of the founding of the State of Viet Nam.

Since the introduction of innovation and liberalisation in 1986, and especially since its accession to the World Trade Organisation in 2006, Viet Nam has accelerated its integration into the international economic system, actively adjusted and improved laws and regulations, and continuously improved the business environment. Vietnam has amended and supplemented the Investment Law seven times and in July 2020, the National Assembly passed the new Investment Law, which came into effect on 1 January 2021, to further enhance the transparency of foreign investment market access. The law further improves the transparency of market access for foreign investment and reduces

the number of administrative approvals. On 26 March 2021, the Vietnamese government issued Decision No. 31 (31/2021/ND-CP) promulgating the Catalogue of Industries with Restrictions on Foreign Investment (the Negative List of Foreign Investment), covering 84 industries. Of these, 25 industries are prohibited for foreign investment and 59 industries have conditional access. Vietnam has signed 15 free trade agreements (FTAs), including the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), the Vietnam-European Union Free Trade Agreement (EVFTA), and the Regional Comprehensive Economic Partnership (RCEP), which will come into effect on 1 January 2022, among others. FTAs have played an important role in increasing the level of trade and investment liberalisation and facilitation in Vietnam, improving the scale and quality of foreign investment attraction, and accelerating the promotion of economic and social openness and development.

In recent years, Vietnam's economy in general has maintained relatively fast growth. In early 2020, the outbreak of the New Crown Pneumonia epidemic in Vietnam, the Vietnamese government implemented strict social closure and control measures, the epidemic prevention and control has achieved better results, and the economy and society basically remained stable, the GDP of that year reached US\$271.2 billion, an increase of 2.91 per cent year-on-year, and the total retail sales of goods and consumption of services amounted to US\$219.99 billion, an increase of 2.6 per cent year-on-year. In April 2021, the Delta strain spread to 63 provinces and cities across Vietnam, hitting the key southern economic zone centred on Ho Chi Minh City. Under pressure, the Vietnamese government drastically adjusted its prevention and control policy in early October, shifting from "dynamic zeroing" to "living with the virus". Since then, production has resumed at an accelerated pace and capacity has gradually rebounded, with GDP growth of 2.58% by the end of 2021. 2022 will see the further lifting of social closures in Vietnam, as well as an accelerated push for vaccination and increased support for economic recovery. Vietnam became one of the countries with the highest per capita vaccination rates in the world. In the first three quarters of 2022, Vietnam's GDP grew by

At 8.83 per cent, it is expected to reach about 8 per cent for the year, or one of the fastest growing economies in the region and the world.

The Government of Viet Nam attaches great importance to the development of a green economy and a digital economy. With regard to the green economy, in recent years, the Government of Viet Nam has enacted a series of development strategies, action plans and policy measures to encourage enterprises to accelerate green transformation, support the development and use of renewable and new energy sources, and actively engage in green and low-carbon international cooperation. At the United Nations Climate Change Conference (COP26) in Glasgow in 2021, the Vietnamese government pledged to achieve net-zero carbon emissions by 2050. In terms of the digital economy, the Government is actively promoting the development of digital platforms and infrastructure. on 3 June 2020, the Government launched the National Digital Transformation Plan to 2025 for 2030, proposing to build a "stable and prosperous digital nation" by 2030. on 1 October 2021, the Government launched the National Digital Transformation Plan to 2025 for 2030, proposing to build a "stable and prosperous digital nation" by 2030. On 1 October 2021, the National Strategy on Green Growth from 2021 to 2030 for 2050 was launched, setting out tasks and initiatives for green growth and establishing the National Steering Committee on Green Growth, chaired by Deputy Prime Minister Le Van Thanh.

At the end of October 2022, General Secretary of the Central Committee of the Communist Party of Vietnam (CPC) Nguyen Phu Trong paid an official visit to China, becoming the first foreign leader to visit China after the 20th National Congress of the Communist Party of China (CPC), which demonstrated the traditional friendship between China and Vietnam. During the visit, Xi Jinping, General Secretary of the Central Committee of the Communist Party of China and President of the People's Republic of China, held talks with General Secretary Nguyen Phu Trong and presented him with the Order of Friendship of the People's Republic of China on behalf of the Chinese Party and Government. The two sides had an in-depth exchange of views on the relations between China and Vietnam and the current international and regional situations, and reached a series of important consensus, and issued the Joint Declaration on Further Strengthening and Deepening the China-Vietnam Comprehensive Strategic Partnership. The markets of China and Vietnam are closely linked, the industrial chain and

supply chain are deeply integrated, and the economic and trade cooperation between the two countries has developed steadily and fruitfully. In terms of trade, China has been Vietnam's number one trading partner, number one import market and number two export market for many consecutive years, playing a pivotal role in Vietnam's foreign trade. In terms of investment, the scale of Chinese investment in Vietnam has continued to expand. According to the Ministry of Planning and Investment, by the end of 2021, China had invested in Vietnam in a total of 3,325 projects with an agreed value of US\$21.33 billion, accounting for 9.6 per cent and 5.2 per cent of Vietnam's total number of foreign investment absorption projects and total agreed value, respectively, and ranked 7th out of the 139 countries and territories that have invested in Vietnam. Investment is mainly concentrated in the processing and manufacturing industries, especially electronics, computers, building materials, textiles and garments, shoes, bags, wood products, machinery and equipment.

The Economic and Commercial Affairs Department of the Chinese Embassy in Vietnam puts forward the following suggestions to Chinese enterprises going to Vietnam for investment and cooperation: firstly, fully understand and comply with Vietnamese laws and regulations, respect local customs and habits, and carry out production and business activities in compliance with the law; secondly, pay attention to integrating into the local society, combining the development of the enterprise with the development of the local society and economy, taking the initiative to fulfil their social responsibilities, and actively carrying out public welfare and charitable activities; thirdly, actively participate in the Vietnam-China Chamber of Commerce. Thirdly, actively participate in the Vietnam China Chamber of Commerce and pay attention to all kinds of information released by the Chinese Embassy (Consulate) in Vietnam and the Vietnam China Chamber of Commerce.

Hu Lock

Jin, Minister Counsellor for Economic and
Commercial Affairs of the Chinese Embassy in
Vietnam.

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directory (on
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hard drive)

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INTRODUCTION What will this guide tell you?

Do you know enough about the investment and co-operation environment in the Socialist Republic of Vietnam (hereinafter referred to as "Vietnam") before you prepare to go there for investment and co-operation? What is the political, economic, social and cultural environment there? What industries are suitable for investment co-operation? Are the business costs for investment co-operation in Vietnam competitive? How should I go through the relevant approval procedures? What are the local laws and regulations governing foreign investment co-operation? What should be paid special attention to in order to carry out investment and co-operation in Vietnam? What should I do if I encounter difficulties? How to deal with the local government, National Assembly, labour unions, residents, media and law enforcement agencies? Vietnam" in the series of "Country (Regional) Guides for Foreign Investment Co-operation" will provide you with basic information and serve as a guide for you to understand Vietnam.

1. Country profile

1.1 A Brief History of Development

Vietnam became an independent feudal state in 968 A.D. In 1884, it fell under the French protectorate and on 2 September 1945, it declared its independence and established the Democratic Republic of Vietnam (D.R.V.). In September 1945, France invaded Vietnam again, and in July 1954, after the signing of the Geneva Agreement on the Restoration of Peace in Indochina, the north of Vietnam was liberated, while the south was still ruled by the French (and later by the South Vietnamese Regime, which was installed by the U.S.). The U.S. initiated and plunged into the Vietnam War in the 1960s, and the U.S. and Vietnam signed the Agreement on the Ending of the War and the Restoration of Peace in Vietnam in January 1973, and the U.S. troops began to withdraw from the south. The South was liberated on 30 April 1975, a unified National Assembly was formed in April 1976, and in July 1976 Vietnam was proclaimed a unified country with the name of Socialist Republic of Vietnam. 1986 saw the implementation of the Renovation and Open Door Policy, which led to rapid economic development. Especially after joining ASEAN in 1995, Viet Nam has gained political, diplomatic, security and economic benefits from ASEAN, and has gradually assumed an important position and played an increasingly important role in ASEAN.

1.2 environment

1.2.1 geographic location

Viet Nam is located in the eastern part of the Central and South China Peninsula, bordering China's Guangxi and Yunnan in the north, with a 1,347-kilometre-long Sino-Vietnamese land border; Laos and Cambodia in the west; and the South China Sea in the east and south-east. The land area is 329,000 square kilometres. The terrain of Vietnam is long and narrow, slightly S-shaped. The longest point is about 1,640 kilometres in the north and south, the widest point is about 600 kilometres in the east and west, and the narrowest point is only 50 kilometres. The terrain is high in the north-west and low in the south-east, with 3/4 of the territory being mountainous and highland. There are two major plains, the Red River Delta and the Mekong River Delta, with an

area of 20,000 square kilometres and 50,000 square kilometres respectively, which are the main agricultural production areas. In the north and north-west, there are high mountains and plateaus, and the Central Ministerial Mountain Range runs north-south. Vietnam is densely populated with rivers, of which 2,860 are more than 10 kilometres long. Larger rivers include the Red River, the Mekong River (Jiulong River), the Tuo River (Blackwater River), the Lu River and the Taiping River. The coastline of Viet Nam is 3,260 kilometres long.

Vietnam is in the 7 East time zone. The time in Hanoi, the capital, is one hour behind Beijing time.

1.2.2 natural resources

Viet Nam has rich and diverse resources. Mineral resources include more than 50 kinds of mineral resources of energy, metal and non-metal types. Energy deposits mainly include coal, oil and natural gas; metal deposits mainly include iron, chromium, aluminium, copper, nickel, lead, titanium ore, etc.; and non-metal deposits mainly include apatite, sulphide ores and kaolin. Vietnam has about 3.8 billion tonnes of proven coal reserves, of which about 3.4 billion tonnes are high-quality anthracite, mainly in Quang Ninh Province, while the rest are lignite and peat, mainly in Hong Kong.

River Delta region and the Mekong Delta region. Vietnam has about 4.4 billion barrels of crude oil reserves, ranking 28th in the world, and 1 trillion cubic metres of natural gas reserves. Vietnam ranks 36th in the world in terms of the scale of crude oil extraction and 4th in Southeast Asia in terms of oil exports. In 2020, Vietnam extracted 11.47 million tonnes of crude oil and 9.16 billion cubic metres of natural gas. In addition, 1.3 billion tonnes of iron ore, 5.4 billion tonnes of bauxite, 10 million tonnes of copper, 22 million tonnes of rare earths, 20 million tonnes of chrome, 20 million tonnes of titanium, 4.5 million tonnes of zirconium, 1.52 million tonnes of nickel, and 20 million tonnes of kaolin have been proven.

1.2.3 climatic conditions

Located south of the Tropic of Cancer, Viet Nam is a tropical monsoon climate zone. In the north, there are four distinct seasons, with an average annual temperature of 23°C - 25°C in most areas. The south is divided into the dry season (October to April) and the rainy season (months to September), with an average annual temperature of 26°C-27°C in most areas. The air is humid and rainfall is abundant, with an average annual rainfall of 1,500-2,000 mm across the country.

1.3 Population and administrative divisions

1.3.1 Population distribution

At the end of 2021, the population of Viet Nam as a whole was 98.51 million, up 922,000 from the previous year. Among them, 49.8 per cent are men and 50.2 per cent are women. The average age of the country's population is 32 years old, with an average life expectancy of 73.7 years. 50.5 million people are in the labour force over the age of 15, of whom 26.1 per cent have lower secondary school education or above. The unemployment rate is 3.22 per cent.

As of today, Viet Nam ranks 15th in the world in terms of total population, with a population density of 310 persons per square kilometre. The most densely populated area is the Red River Plain, with 1,060 people per square kilometre; the least densely populated area is the Tay Plain region, with 107 people per square kilometre; the most densely populated city is Ho Chi Minh City, with 4,363 people per square kilometre; and

the least densely populated province is the province of Bac Lieu, with only 65 people per square kilometre.

There are about 900,000 Chinese in Vietnam, mainly in Ho Chi Minh City and the provinces and cities of Dong Nai, Binh Duong, Lam Dong, Quang Ninh, Hai Phong, Tra Vinh, Kien Giang and Hougang. Among them, District 5 (Cayman) in Ho Chi Minh City is the place with relatively high concentration of Chinese.

1.3.2 administrative subdivision (e.g. of provinces incounties)

[Administrative divisions at the primary level] Vietnam has 5 municipalities and 58 provinces, which are geographically divided into 8 regions:

- (1) The Red River Plain region (including 11 provinces and municipalities directly under the Central Government) covers an area of 14,900 square kilometres;
- (2) The north-eastern region (including 11 provinces) covers an area of 64,000 square kilometres;
- (3) The Northwest Territories (including four provinces), covering 37,500 square kilometres;
- (4) The North Central Region (comprising six provinces) covers an area of 51,600 square kilometres;
- (5) The central south coast region (including six provinces and municipalities directly under the Central Government) covers an area of 33,200 square kilometres;

- (6) The Western Plains region (including five provinces) covers an area of 54,700 square kilometres;
- (7) The Southern Eastern Region (including eight provinces and municipalities) covers an area of 34,800,000 kilometres;
- (8) The Mekong (Jiulong River) plains region (including 13 provinces and municipalities) covers an area of 40,600 square kilometres.

[Major cities] There are 729 cities in Vietnam, including five municipalities of Hanoi, Ho Chi Minh City, Hai Phong, Da Nang and Can Tho. There are six categories of cities in Vietnam: Hanoi and Ho Chi Minh City are special cities, in addition, there are 15 category 1 cities, 16 category 2 cities, 45 category 3 cities, 66 category 4 cities and the rest are category 5 cities.

Located in the middle of the Red River Delta Plain, with an area of 3,344.7 square kilometres and a population of nearly 8.5 million by the end of 2021, Hanoi, the capital city, is the political and cultural centre of the country, the largest city in terms of area and the second largest in terms of population. Hanoi's old name "Thang Long" has a history of 1,000 years. It has convenient land and water transport, with railway, road and air lines connecting it to major provinces and cities across the country.

Ho Chi Minh City is the largest port city and economic centre in Vietnam, with the largest population in the country, about 13 million people, consisting of the former Saigon, Caiphong and Gia Dinh cities, located in the northeast of the Mekong River delta, on the right bank of the Saigon River, 60 kilometres from the sea. It covers an area of 2,090 square kilometres. According to the official statistics of Vietnam, there are about 500,000 Chinese in Ho Chi Minh City, and District 5 (formerly Cai Giang City) is the area where Chinese people live. Famous historical buildings in the city include the Reunification Palace (former Presidential Palace of South Vietnam), the City Hall, the Post Office, the Opera House, the Temple of Tin Hau, and the Notre Dame Cathedral. The climate in Ho Chi Minh City is hot all year round, with a small difference in temperature between daytime and nighttime; the lowest temperature is in January, with a monthly average of 25 degrees Celsius, and the highest is in April, with a monthly average of 29 degrees Celsius.



Ho Chi Minh City City Hall

Other major cities include: Hai Phong, Da Nang, Can Tho, Halong, Thoi Van, Viet Chi, Nam Dinh, Hue, Tau Ton, Dalat, Nha Trang and Ha Sen. Hai Phong is an important port city and the third largest city in the north; Da Nang is an important port city in the centre with rich tourism resources; and Halong City is a famous tourist city with Halong Bay as a World Natural Heritage Site.



Halong Bay

1.4 political climate

1.4.1 political system

The current Constitution of Viet Nam is the fifth Constitution, adopted on 28 November 2013 at the 6th session of the 13th National Assembly, which is the successor and development of the Constitutions of 1946, 1959, 1980 and 1992, reflecting the socialist goals and the comprehensive national renovation line put forward by the **7th National Congress of the Communist Party of Viet Nam (CPV)**. The Constitution stipulates that State power in the Socialist Republic of Viet Nam belongs to the people, and that the Communist Party of Viet Nam is guided by Marxism-Leninism and Ho Chi Minh Thought, and that at the 10th session of the 10th National Assembly in 2001, some articles of the Constitution were amended to determine that Viet Nam is to develop a "socialist-oriented" market economy.

1.4.2 Main parties

Viet Nam is a socialist country under the leadership of the Communist Party, with the Communist Party of Viet Nam (CPV) as the sole legal political party. Since the implementation of "innovation and opening up" in 1986, Viet Nam has enjoyed basic political stability, an average annual economic growth rate of more than 7 per cent, and sustained and stable social development. At the 12th National Congress of the **Communist Party of Vietnam** held in January 2016, Nguyen Phu Trong

was re-elected General Secretary of the Central Committee of the Communist Party of Vietnam, Tran Dai Quang was elected President of the State, Nguyen Thi Kim Ngan was elected Chairman of the National Assembly, and Nguyen Xuan Phuc was elected Prime Minister. , the first time that the General Secretary of the Central Committee of the Communist Party of Vietnam and the President of the State were held by the same person. At the 13th National Congress of the Communist Party of Vietnam (VCSV) held in January 2021, the current leadership was elected, with Nguyen Phu Trong continuing to serve as General Secretary of the Central Committee of the Communist Party of Vietnam (CPC) for a second term, Nguyen Xuan Phuc being elected President of the State, Pham Minh Thanh Prime Minister of the Government, and Ong Dinh Huy elected Chairman of the National Assembly. The Central Committee of the Communist Party of Viet Nam has strengthened its personnel structure, improved its organisational structure and party and government operation system, deployed key tasks for socio-economic development, demonstrated a new style of governance, and maintained a generally stable political situation and relatively rapid socio-economic development.

1.4.3 government office

Vietnamese Government agencies include: Ministry of Defence, Ministry of Public Security, Ministry of Foreign Affairs, Ministry of the Interior, Ministry of Justice, Ministry of Planning and Investment, Ministry of Finance, Ministry of Industry and Trade, Ministry of Agriculture and Rural Development, Ministry of Education and Training, Ministry of Transport, Ministry of Construction, Ministry of Resources and Environment, Ministry of Communications and Media, Ministry of Labour, Injuries and Social Affairs, Ministry of Culture, Sports and Tourism, Ministry of Science and Technology, Ministry of Health, the State Bank, the Ethnic Affairs Committee, the General Inspectorate of the Government, and the Government Office. 22 ministries.

The Ministry of National Defence is both the office of the Central Military Party Committee of the Communist Party of Viet Nam (CMPV) and the highest military administrative organ of the Viet Nam Army, with the General Staff, the General Political Bureau, the General Logistics Bureau, the General Technical Bureau, the General Directorate of Defence Industry and the General Directorate of Intelligence under its jurisdiction. The six headquarters (bureaux) are responsible for military command, political and ideological education, logistical supply, technical support, military industry and production operations, and intelligence collection and services for the entire army.

The Ministry of Public Security is an important department of the Government of Viet Nam, the supreme head of the Vietnamese people's public security forces, tasked with maintaining the country's political stability and social security, combating all kinds of crimes, and protecting people's lives and property.

The Ministry of Foreign Affairs (MFA) is a specialised government agency responsible for the external affairs of the State of Viet Nam and is located at 1 Dzung Muro Tama Street, Ba Dinh District, Hanoi, the capital city of Viet Nam.

1.5 sociocultural

1.5.1 nation

Viet Nam is a multi-ethnic country with 54 ethnic groups, the Kinh (also known as Viet) being the main ethnic group. The proportion of the population of each ethnic

group is 86.2 per cent Kinh, 1.9 per cent Dai, 1.7 per cent Thai, 1.5 per cent Mang, 1.4 per cent Khmer, 1.1 per cent Chinese, 1.1 per cent Nuon, 1 per cent Hmong, and 4.1 per cent other ethnic groups.

1.5.2 multilingualism

Vietnamese is the official language, the lingua franca and the main national language. Some residents speak English.

1.5.3 Religion and customs

[Religion] Buddhism predominates, with nearly 11 million adherents, Catholicism has about 6.2 million adherents, Cao Dai has more than 4.4 million adherents, 1.4 million are Protestant, 1.3 million are Harmonised, there are 75,000 Muslims, 7,000 followers of the Baha'i faith, and 1,500 followers of Hinduism.

Traditional Confucianism and oriental values dominate the ideology of Vietnamese society. People pay attention to etiquette in their daily lives, and it is customary to greet or exchange greetings when meeting each other. The terms of address and greetings are very elaborate, and elders are addressed as big father, big mother or

Uncle and uncle, brother and sister to their peers, little brother and sister to children, and folks, fathers and compatriots to the masses (used only between nationals). In state organs, work units and military and police forces, people are generally called comrades, but among the most familiar people, they are also called brothers and sisters instead of comrades. When meeting people, they use the handshake salute, the Hmong and Yao use the clasped fist and bow salute, and the Khmer mostly use the ten-legged salute. The Kinh people do not like to be patted on the back or shouted at with their fingers. When shaking hands with superior leaders and elders, they usually hold their right wrist with their left hand.

[Custom] Many Vietnamese have the custom of dyeing their teeth. Some older women like to chew betel nut and dye their teeth black, believing that this will make their teeth stronger. Vietnamese people love peach blossoms, which are bright, beautiful and auspicious flowers that bring good luck. Vietnamese people like to keep dogs, believing that they are faithful, reliable and can guard the house.

The Vietnamese people eat a relatively simple diet, mainly boiled in water, fried and barbecued, and like to eat cold and spicy food. Food is mainly rice, love to eat round-grained rice, but also eat mixed grains. Meat has pork, beef and fish, especially like to use fresh fish processed into "fish sauce". "Fish sauce" is an indispensable seasoning in the daily life of the Kinh people. Vegetables are mainly cabbage, but cabbage, cucumber and pumpkin are also grown.

It is taboo to take a picture of three people together, or to light a cigarette with a match or lighter for three people in a row, which is considered unlucky; it is taboo to be touched on the top of the head; and it is taboo for people to put their feet against them when sitting on the floor. When you enter a room as a guest, you should take off your shoes and put on slippers provided by the host.

1.5.4 Science, education and medicine

[Science and Technology] There is a big gap between Vietnam's scientific and technological development and the world's leading level, but scientific and technological work still contributes to the promotion of the country's economic and social progress. Vietnam now has nearly 300 scientific research institutions (institutes, centres).²⁰²¹ In early 2021, Prime Minister Nguyen Xuan Phuc signed the National High-Tech

Development Plan to 2030, which aims to develop and master 20 priority technologies in different fields. One of the main objectives is to increase the export value of high-tech products to about 60 per cent of the manufacturing sector, increase the share of high-tech agricultural output value in the total agricultural output value, and create new products and services with high added value. Construction of about 500 new suppliers of high-tech products and about 200 high-tech agricultural enterprises. The programme consists of three components: technological research, application and development by the Ministry of Science and Technology; development of the high-tech sector by the Ministry of Industry and Trade; and promotion of high-tech agriculture by the Ministry of Agriculture and Rural Development.

[Education] Vietnam has a comprehensive education system, which is divided into three stages: pre-school education, basic education and higher education, with pre-school education for those under 6 years of age, basic education divided into 5 levels of primary school, 4 levels of junior high school and 3 levels of senior high school, and higher education divided into 4-6 levels of university colleges or undergraduate degrees, 2 years of master's degree, and 4 years of doctoral degree. Famous institutions of higher education include Hanoi National University, Encyclopaedic University and Ho Chi Minh City National University. Vietnam's academic diploma system is divided into primary school diploma, junior high school diploma (secondary school diploma), high school diploma, university diploma, master's degree and doctoral degree. The degree system includes four grades of Bachelor's Degree: Xiu Cai (high school graduation), Jiu Ren (Bachelor's Degree), Master's Degree, and Jin Shi (Doctor's Degree),

Master's and doctoral students receive degree certificates issued by degree-conferring units confirmed by the State Academic Degrees Committee after defending their dissertations. In 2000, Viet Nam declared the completion of literacy and the universalisation of compulsory primary education. In 2001, the universalisation of nine-year compulsory education began. In recent years, some governments and international organisations have provided assistance to Vietnam to support the development of education, especially in rural and ethnic minority areas. In the 2021 academic year, there are 5.4 million pre-school children, 17.6 million primary and secondary school pupils (of which 8.7 million are primary school pupils, 6 million are lower secondary school pupils, and 2.8 million are upper secondary school pupils), and 1.5 million students of tertiary institutions. There are 1,913 vocational education schools, including 402 universities, 472 colleges and 1,039 continuing education centres. By the end of 2021, the enrolment rate was 98.2 per cent in primary schools, 93 per cent in junior high schools and 78.1 per cent in senior high schools

[Medical care] Viet Nam introduced a social security system in 1947, which was successively amended and supplemented in 1961, 1981, 1985 and 1995. The social security system provides for workers to enjoy sick leave, maternity leave and industrial injury leave, retirement pension, disability allowance and survivor's benefit. The Government covers part of the cost of examinations and treatment for all nationals. Since 1 February 2010, it has been mandatory for Vietnamese children under the age of 6 to be enrolled in medical insurance. According to statistics, in 2021, Vietnam's national health insurance enrolment is 88.8 million people, with a coverage rate of 91.01 per cent, an increase of 0.9 per cent compared to the previous year; social insurance enrolment is 16.5 million people, an increase of 2.1 per cent compared to the previous year, accounting for 33.7 per cent of the working population of working age; and unemployment insurance enrolment is 13.4 million people, an increase of 0.4 per cent compared to the previous year, accounting for 27.3 per cent of the working population of working age. The average life expectancy of the Vietnamese population in 2021 will be 73.7 years.

In 2021, Vietnam will have an average of 8 doctors and 27 hospital beds per 10,000

people. Common diseases in Vietnam include dengue fever, typhoid fever, paratyphoid fever, polio, hand, foot and mouth disease, hepatitis A and parasitic infections, AIDS, etc. In 2021, there were 69,354 cases of dengue fever (22 deaths); 38,413 cases of hand, foot and mouth disease (11 deaths); 536 cases of viral meningitis (14 deaths); and 14 cases of diphtheria (2 deaths) nationwide. As of 18 December 2021, the total number of HIV-infected people in Viet Nam was 213,833; the number of people who died of AIDS nationwide was 110,990. the total number of food poisoning cases in 2021 was 58, poisoning 1,557 people (5 deaths).

In 2021, the epidemic of New Crown Pneumonia is spreading throughout Vietnam. According to Viet Nam's official statistics, by the end of 2021, there will be 1,666,000 cases of neocoronavirus pneumonia infection and 31,418 deaths, a mortality rate of 1.8 per cent.

1.5.5 Trade unions and other non-governmental organisations

The General Confederation of Labour of Viet Nam is the highest trade union organisation in the country. Vietnamese enterprises generally have trade unions. Trade union representatives are elected by workers, with a chairman and several vice-chairmen. In recent years, trade unions have played an important role in protecting the interests of employees in enterprises, especially in increasing workers' wages.

The Viet Nam Chamber of Commerce and Industry (VCCI) is the largest business organisation in the country. Its main functions are to strengthen inter-enterprise co-operation, reflect the will of enterprises, protect their legitimate rights and interests, hold and participate in exhibitions and forums at home and abroad, as well as provide assistance to enterprises in opening up foreign markets.

Provision of services, etc.

[Strike] Strikes occur from time to time in Vietnam, mainly in Ho Chi Minh City, Binh Duong, Dong Nai, Long An and other southern provinces and cities, involving textiles and garments, footwear, machinery, electronics and other industries, mainly targeting foreign-funded enterprises, mainly Taiwan-funded and Korean-funded enterprises, with relatively few strikes by local enterprises. In the past two years, a few Chinese-funded enterprises have also experienced strikes. Most of the strikes were organised by workers on their own initiative, with the aim of demanding higher pay and better living and working conditions.

1.5.6 Main media

[VNA] The Vietnam News Agency (VNA) is the national news agency, founded in 1945, with branches in all provinces and cities throughout the country, and 16 branches abroad. In August 1998, it opened the Internet (in Vietnamese, English, French and Spanish) at <https://vnanet.vn>.

[Newspaper and media] The Law on Press and Publication of Viet Nam stipulates that newspapers and magazines are under the control of the State. There are 450 central and local press agencies. The main publishing houses are political publishing houses, cultural publishing houses, literary publishing houses, scientific and technological publishing houses, educational publishing houses and world publishing houses. At present, there are about 150 newspapers in the country, the main ones being: The People's Newspaper (www.nhandan.com.vn), the organ of the Central Committee of the Communist Party of Viet Nam (CCPV), founded in 1951, with 3 branches abroad, and an electronic version opened in May 1998; The People's Army Newspaper, the organ of the General Political Bureau of the People's Army of Viet Nam (PAVN); and The Great Solidarity Newspaper, the central organ of the Fatherland Front (FPV); Saigon Liberation (in Vietnamese and Chinese), the organ of the Ho Chi Minh City Party Committee of the Communist Party of Viet Nam; The Economic Times, the Investment Newspaper, the Finance Newspaper and the Industry and Trade Newspaper are the main economic newspapers; Communism, a monthly political theory journal of the Central Committee of the Communist Party of Viet Nam,

was launched in 1956 and set up an electronic version in 2001; National Defence for All; and the Monthly Doctrinal Journal of the People's Army of Viet Nam, among others.

[Television media] The main television media in Viet Nam is Viet Nam Television (VTV): established in 1971, it can broadcast nine programmes simultaneously, with a cumulative total of about 200 hours of broadcasting per day, at <https://vtv.vn>.

[Broadcast media] The main broadcast media in Vietnam is the Voice of Vietnam (VOV) radio station. Established in 1954, it has eight sets of domestic programmes broadcast in Vietnamese and several ethnic minority languages, with about 200 hours of broadcasting per day; external broadcasts are in Chinese Mandarin, Cantonese, Russian, English, French, Spanish, Japanese, Thai, Laotian, Cambodian, Indonesian and Malay. The daily broadcasting hours are 26 hours and the website: <https://vov.vn>.

1.5.7 public security

Social security in Viet Nam is generally good, with laws prohibiting the possession of firearms and ammunition by the population, and the military and police exercising absolute control over social order. Although there have been no terrorist attacks, there are instances of banditry, particularly in Ho Chi Minh City, where car robberies are more serious. Motorbike and car ownership is high in major cities such as Hanoi, Ho Chi Minh City and Haiphong.

The number of traffic accidents is high, and there are cases of resource control and theft by local evil forces. In recent years, there have been cases in which some of the construction sites of Chinese-funded enterprises have been disturbed, stolen and robbed by local lawless elements.

In March 2016, an anti-China march erupted in Hanoi, the capital of Vietnam, with accusations of China's stance on the South China Sea.

In June 2018, people in Ho Chi Minh City, Nha Trang, Hanoi and Da Nang illegally gathered to oppose parts of the (draft) Law on Special Administrative and Economic Units of Vung Tum, North Vung Tum and Phu Quoc to be considered by the National Assembly, leading to the shelving of the law.

In 2021, there were 11,454 traffic accidents in Vietnam, resulting in 5,739 deaths and 7,998 injuries, a decrease of 16.4 per cent compared to the number of traffic deaths in 2020.

1.5.8 holidays

Legal holidays include: New Year's Day (1 January), Lunar New Year (first day of the first month of the lunar calendar), Hung Kings' Day (10 March of the lunar calendar), Liberation Day of Southern Viet Nam (30 April), Labour Day (1 May), Mid-Autumn Festival (15 August of the lunar calendar), National Day (2 September).

Every Saturday and Sunday are public holidays.

2. Economic overview

2.1 macro-economic

In recent years, Vietnam has continued to promote innovation and openness, accelerating its integration into the global economy, and maintaining stable development of the national economy in general. In 2016-2019, GDP growth averaged more than 6.5 per cent annually. In 2020, Vietnam's economic growth dropped to 2.91 per cent under the impact of the new Crown pneumonia epidemic, but it was still one of the few countries globally to maintain positive growth. In the first half of 2021, Vietnam's economy, though impacted by the fourth round of the epidemic, remained basically stable, with GDP growth of 5.64 per cent year-on-year. However, the epidemic quickly spread to Ho Chi Minh City and key economic provinces in the south, hitting industrial parks, causing a large number of enterprises to stop work and production, disrupting supply chains in some industries, severely disrupting logistics and transport, and hitting the economy hard. In the third quarter, Vietnam's GDP fell by 6.17% year-on-year, dragging economic growth in the first three quarters down to 1.42%, posing difficulties for economic growth for the whole year. In October, Vietnam was unsealed with the epidemic, speeding up the resumption of work and production. By the end of the year, annual GDP achieved growth of 2.58 per cent.

In 2021, the General Statistics Office of Viet Nam adopted a new statistical accounting method for economic data and corrected GDP data for the past 10 years, with adjustments of more than 25 per cent in overall economic size and per capita GDP data.

Table 2-1. Macroeconomic data for Viet Nam, 2017-2021

vint age s	GDP (\$ billion)	GDP growth rate (%)	GDP per capita (US\$)
2017	2813	6.88	2885
2018	3087	7.08	3062
2019	3303	7.02	3250
2020	3432	2.91	3316
2021	3626	2.58	3373

Source: Viet Nam Department of Statistics

[GDP industry structure] In 2021, Vietnam's agriculture, forestry and fisheries

sector grew by 2.9 per cent, industry and construction by 4.05 per cent, and services by 1.22 per cent, contributing 13.9 per cent, 37.8 per cent and 22.2 per cent to GDP growth, accounting for 12.3 per cent, 37.8 per cent and 40.9 per cent of GDP, respectively. The main drivers of economic growth were the processing manufacturing industry (up 6.37 per cent), the information and communications industry (up 5.97 per cent) and the finance, banking and insurance industry (up 9.42 per cent).

[Fiscal revenues and expenditures] In 2021, Vietnam's state revenue was about VND1,523.4 trillion (about US\$63 billion), achieving 113.4 per cent of the full-year budget. State fiscal expenditure is about VND1839.2 trillion (about US\$76 billion), reaching 109 per cent of the full-year budget.

[Price Index] In 2021, Vietnam's consumer price index rose 1.84 per cent year-on-year, the lowest increase since 2016.

[Foreign exchange reserves] As of the end of January 2022, Vietnam's foreign exchange reserves were about US\$110 billion.

[Unemployment rate] In 2021, the unemployment rate of the working-age population in Viet Nam will be 3.22 per cent, of which 4.42 per cent in urban areas and 2.48 per cent in rural areas. The unemployment rate of young people aged 15-24 will be 8.48 per cent, 11.91 per cent in urban areas and 6.76 per cent in rural areas.

[Public Debt] By the end of 2021, Vietnam's public debt was US\$156 billion, equivalent to 43.1 per cent of GDP, and the debt-to-GDP ratio remained within the safe range allowed by the National Assembly.

[Sovereign credit rating] In April 2022, the international rating agency Fitch rated Vietnam's sovereign credit rating at BB with a positive outlook; in May 2022, the international rating agency Standard & Poor's rated Vietnam's sovereign credit rating at BB+ with a stable outlook. As of April 2021, the international rating agency Moody's had a Ba3 sovereign credit rating on Viet Nam with a positive outlook.

2.2 Key Characteristic Industries

[Agriculture, Forestry and Fisheries] Vietnam is rich in agricultural products such as rice, rubber, pepper, coconut, dragon fruit, watermelon, mango, cashew nuts, tea, coffee, etc. In 2021, Vietnam produced 43.88 million tonnes of rice, an increase of nearly 1.1 million tonnes year-on-year, despite a decrease in planting area of 38,300 hectares. Other major agricultural products include 4.43 million tonnes of corn, 1.22 million tonnes of sweet potatoes, 6.7 million tonnes of sugarcane, 10.7 million tonnes of cassava, 426,900 tonnes of peanuts, 59,200 tonnes of soybeans, and 18.4 million tonnes of all kinds of vegetables. In 2021, Vietnam exported about 6.2 million tonnes of rice, with an export value of 3.2 billion USD, and 3.52 billion USD in fruits and vegetables.

The country's forests cover an area of about 10.17 million hectares. In 2021, 277,800 hectares of new forests will be planted and 18.1 million cubic metres of timber will be extracted.

Vietnam is rich in fishery resources, with 1,200 species of fish and 70 species of shrimp along its coasts, producing many kinds of fish such as red fish, mackerel, and slate. Sea areas such as the central coast, the southern eastern coast and the Gulf of Siam can produce hundreds of thousands of tonnes of sea fish every year. The total volume of Vietnam's aquatic products in 2021 was 8,726,000 tonnes, an increase of 1 per cent year-on-year.

[Industry] In 2021, Viet Nam's industrial output grew by 4.82 per cent. The output value of the processing manufacturing industry increased by 6.37 per cent, the output value of the electricity production and distribution industry increased by 5.24 per cent, the output value of the water supply and sewage and rubbish treatment industry increased by 4 per cent, and the output value of the mining industry decreased by 6.21 per cent. Major industrial products include electronic products, computers, mobile phones, machinery and equipment, automobiles, motorbikes, textiles and garments, petroleum and natural products, rubber products and plastic products.

(1) Automotive Industry. By the end of 2021, there were about 360 automobile-related manufacturing companies in the country, of which automobile assembly

50 enterprises, 45 chassis, body and luggage manufacturers, 214 auto parts manufacturers, and many other related enterprises. In 2021, Vietnam's auto consumption was 410,000 units.

Vietnam's automotive enterprises are dominated by the assembly of imported components, with a low localisation rate of only 5-10 per cent. In 2018, VINFAST Vietnam launched its first domestically produced car.

(2) Electronics industry. In recent years, Vietnam's leading role in the production and export of mobile phones, computers and parts has gradually come to the fore. In 2021, Vietnam's exports of mobile phones and parts amounted to US\$57.5 billion, and exports of electronics, computers and parts amounted to US\$50.8 billion, totalling around US\$108.2 billion, accounting for 32 per cent of total exports. Large enterprises such as Samsung, LG, Microsoft and Foxconn have invested in factories in Vietnam. Among them, Samsung has invested nearly \$18.5 billion, and in 2021, Samsung's revenue in Vietnam will be about \$74.2 billion, with exports of \$65.5 billion, accounting for about 20 per cent of Vietnam's total foreign exports.

Oil and gas industry. In 2021, Vietnam extracted 11 million tonnes of crude oil and 7.09 billion cubic metres of natural gas. Vietnam has two refineries with crude oil refining capacity, namely the Nghi Son and Rong Kratie refineries, with a design processing capacity of 16.5 million tonnes/year, which is able to satisfy 70 per cent of Vietnam's demand for refined oil products.

2.3 infrastructure

The main government departments responsible for infrastructure development in Viet Nam are the Ministry of Transport, the Ministry of Industry and Trade, the Ministry of Construction and the Ministry of Agriculture and Rural Development. Among them, the Ministry of Transport is responsible for construction projects including roads, railways, bridges, tunnels, airports, wharves, manned cable cars, etc.; the Ministry of Industry and Trade is responsible for construction projects including hydroelectric power plants, thermal power plants, smelters, petrochemical plants, gas processing plants, petrol, diesel, liquefied petroleum gas warehouses and pipelines, hazardous chemicals factories and

warehouses, industrial explosives factories and warehouses, etc.; the Ministry of Construction is responsible for construction projects including flat blocks. Construction projects under the responsibility of the Ministry of Construction include apartment buildings, public works, cement factories, etc.; construction projects under the responsibility of the Ministry of Agriculture and Rural Development include reservoirs, dykes, sluices (water supply and drainage), pumping stations and other water projects.

2.3.1 motorway

Viet Nam has a total of 668,000 kilometres of roads nationwide, 85.8 per cent of which are rural traffic roads. There are about 24,600 kilometres of national roads. There are about 1,800 kilometres of highways, of which 1,163 kilometres have been completed and opened to traffic. By the end of 2021, road freight transport accounted for more than 65 per cent of Vietnam's total domestic freight transport. 1,620.5 million tonnes of goods were transported in 2021, down 8.7 per cent from the previous year, with a turnover of 333.4 billion tonne-kilometres, a decrease of 1.8 per cent.

Vietnamese roads can be connected to China, Laos and Cambodia. The land border between China and Vietnam is 1,450 kilometres long, and seven provinces in the north of Vietnam border China's Guangxi and Yunnan provinces, and the two countries have a total of 28 pairs of land crossings of different levels, most of which can be connected by large and small roads, and the larger highway-connected crossings are Dongxing - Mangjie, Youyiguan - Friendship, Hekou - Laojie and so on. Laojie, etc.

2.3.2 railways

Viet Nam's railway infrastructure is generally backward, with railways passing through only 34 provinces and municipalities directly under the Central Government, and 7 main lines and 12 branch lines with a total mileage of 3,143 kilometres; 85 per cent of the roadway is on the old metre-gauge track, with only 6 per cent on the standard track, and the remaining 9 per cent on the set track. With an average speed of less than 60 kilometres per hour, capacity is very limited, and the volume of freight transported by rail accounts for only 0.6 per cent of the country's total freight volume.

With the rapid development of low-cost airlines and highways, the railway transport industry is facing a dilemma and becoming increasingly marginalised due to low operating speeds, old facilities and equipment, and lack of competitiveness. Currently, Vietnam's railway passenger traffic accounts for less than 1 per cent of the country's passenger traffic, with travellers using trains as their last resort. According to the Railway Development Plan to 2020, in the future, Viet Nam will focus on the development of urban railway transport and railway transport connecting inner-city and suburban areas, giving priority to renovating and upgrading the Hanoi-Ho Chi Minh City railway line.

Relevant provinces and cities in the southern Nine Dragons Plain have launched a feasibility study on the Ho Chi Minh City - Can Tho rapid railway and formed a joint working group of inter-provincial (municipal) ministries in 2017. To accelerate railway connectivity with China and thus open up railway corridors to the Middle East and Europe, in April 2018 Vietnam's Ministry of Transport organised a meeting of experts to study the construction of the Hai Phong - Hanoi - Lao Cai 391km standard-gauge electrified railway line, which will be designed to run at 160km/hour for passenger cars. In the adjusted railway development plan, Vietnam will build a north-south high-speed railway connecting Hanoi and Ho Chi Minh City in phases and sections by 2050, spanning 20 provinces and cities, with a total mileage of 1,559 kilometres, a design speed of 350 kilometres per hour and an operating speed of 320 kilometres per hour. Currently, the railways of China and Vietnam are only connected at two places, Pingxiang in Guangxi and Hekou in Yunnan. On 1

November 2022, during the visit of Nguyen Phu Trong, General Secretary of the Central Committee of the Communist Party of Vietnam, to China, China and Vietnam issued the Joint Statement on Further Strengthening and Deepening the China-Vietnam Comprehensive Strategic Partnership, which mentions that: China and Vietnam will carry out cooperation in infrastructure construction and connectivity, and complete the Lao Cai Street as soon as possible

-Ha Noi - Hai Phong Standard Gauge Railway Planning Review.

Hanoi and Ho Chi Minh City are building urban railway systems, with the first urban railway, Hanoi Light Railway Line 2, completed and officially launched for commercial operation on 6 November 2021, while the construction of the remaining five urban rail projects is lagging significantly behind.

2.3.3 airfreight

Vietnam currently has 22 airports in operation, including 10 international airports. The total operating capacity is 95 million passengers/year. Hanoi Noi Bai Airport and Ho Chi Minh City Tan Son Nhat Airport are currently the two largest hub airports, both of which have reached the 4E standard (ICAO).

A total of 68 overseas airlines from 25 countries and territories as well as six local airlines, including Vietjet Air, operate from Vietnam.

The company operates in the domestic and international aviation markets.

The main types of civil aviation in Vietnam are Airbus (320, 321, 330, 350) and Boeing (737, 767, 777, 787). There are currently 190-210 civilian passenger aircraft. At present, in addition to 6 local airlines, 68 foreign airlines from 25 countries operate international routes to Vietnam, with more than 130 routes connecting more than 20 cities in the country with 28 countries, including China, South Korea, Japan, the United States of America, Thailand, Malaysia, Russia, Germany, Australia, France, the United Kingdom and India.



Hanoi Neipai Airport

Air traffic between China and Vietnam has grown relatively fast in recent years.

Vietnam Airlines, Vietjet Air

(Vietjetair and Jestar Pacific, and China's Air China, China Southern Airlines, China Eastern Airlines, Sichuan Airlines, Xiamen Airlines, Hainan Airlines, and Océan Airlines, among others, are involved in China-Vietnam routes. The main destinations on the Vietnamese side are Ho Chi Minh City, Hanoi, Da Nang, Nha Trang, Phu Quoc Island, Haiphong, Dalat and Vung Tum, while those on the Chinese side are Beijing, Shanghai, Guangzhou, Shenzhen, Chengdu, Chongqing, Kunming, Changsha, Xiamen, Nanning and Hangzhou. However, since the outbreak of the New Crown Pneumonia epidemic in 2020, air passenger transport has basically come to a standstill due to the requirements of epidemic prevention and control, with the number of international passenger

passengers falling by more than 99 per cent throughout the year, and international air transport in Viet Nam basically only being able to maintain cargo routes, with the vast majority of passenger commercial scheduled flights having been suspended.

In June 2015, the National Assembly of Vietnam officially passed a resolution on investing in the construction of the Long Cheng International Air Port. With a total investment of VND336.63 trillion (about US\$16.03 billion), the Long Cheng International Air Port construction project in the southern province of Dong Nai will be built in three phases to build a 4F-class regional international aviation hub port with an annual capacity of 100 million passengers and 5 million tonnes of cargo.

It is expected to become the largest airport in Vietnam and one of the aviation hub centres in Southeast Asia. Land acquisition for the project has not yet been completed, and the project completion date is expected to be the end of 2025.

2.3.4 waterborne transport

[Maritime transport] In recent years, Viet Nam's maritime transport has developed rapidly. There are 49 seaports, including 17 category 1 ports, 23 category 2 ports and 9 category 3 ports. There are 286 terminals in the national seaport system, of which Hai Phong Port has the most with 50, followed by Ba Di-Tau Ton (45) and Ho Chi Minh City the third (43). In 2020, Vietnam's ports handled 692 million tonnes of cargo, accounting for 78.7 per cent of the country's total port transport. The country is divided into six port groups, from north to south: the northern port group from Quang Ninh to Ninh Binh, the northern central port group from Thanh Hoa to Ha Tinh, the central port group from Quang Binh to Quang Ngai, the southern central port group from Binh Dinh to Binh Thuan, the southern port group, and the Nine Dragons plains port group, with throughputs concentrated in the northern port group and the southern port group, which account for about 80 per cent of the total throughput. There is no international transshipment port in the country, and import and export goods need to be transshipped through Singapore, Hong Kong, China and other places. Vietnam's maritime fleet mainly consists of domestic self-produced new ships and foreign imports of second-hand ships, a total of more than 1,600 maritime vessels, with a total tonnage of 6.2 million tonnes, ranked 31st in the world. The largest maritime enterprise in Vietnam is Vietnam Navigation General Corporation (VINALINES).



Haiphong Port

[Inland waterway transport] At present, Viet Nam manages and develops inland waterways with a total length of 19,000 kilometres, most of which are naturally developed, of which 6,700 kilometres are national inland transport routes. The depth of the boat in the north is guaranteed to be 2-2.5 metres, and in the south it is guaranteed to be more than 3 metres. Vietnam's inland waterway transport is second only to road transport in terms of freight and passenger traffic, ranking second in the national transport industry. There are 131 inland waterway ports, 13 of which can dock foreign ships. The main ports are located in Ho Chi Minh, Hanoi, Hoa Binh, Viet Chi and Ninh Binh,

Provinces and cities such as Heping. The fleet is dominated by vessels ranging from 5-20 tonnes to 1,000-2,000 tonnes; the tractive effort is low, about 4-5 tonnes per horsepower; and the speed is slow, 5-8 kilometres per hour. Inland waterway transport is a commonly used mode of transport in Viet Nam, with cargoes consisting mainly of grain, coal, cement, stone, sand, etc.

2.3.5 correspond (by letter etc)

Vietnam's national communications infrastructure has covered the entire territory, with more than 800,000 kilometres of fibre optic cables and transceiver base stations in 2020. With 99.7 per cent mobile network coverage, 3G and 4G mobile networks are widely covered and 5G mobile network testing is underway. Vietnam's Telecom Development Index (IDI) is expected to rank 74/176 in 2021, up three places from 2020. As of April 2022, Vietnam has 7 enterprises providing mobile communications services, of which 5 provide 4G services. 63 enterprises provide internet access services. The country has more than 120 million mobile subscribers, with an average of more than one mobile phone per person. The number of mobile broadband subscribers reached 68.2 million, while the number of fixed broadband Internet subscribers was 17.95 million.

2.3.6 electrical power

Demand for electricity in Vietnam has been growing fast in recent years, with power supply exceeding demand for a long time and power restrictions occurring from time to time. The Ministry of Industry and Trade (MIT) is the government's authority on electricity, and the state-owned Electricity of Vietnam Group (EVN) is the electricity hub enterprise integrating national electricity production, supply and distribution scheduling. By the end of 2021, Vietnam had a total installed power capacity of 76,620 MW, ranking 2nd in ASEAN (after Indonesia) and 23rd in the world. The country's communes have 100 per cent access to electricity and 99.65 per cent of households have access to electricity, including 99.45 per cent in rural areas. In 2021, the Electricity of Vietnam Group (EVN) produced and purchased about 256.7 billion kWh of electricity, an increase of 3.9 per cent year-on-year. Vietnam's national high-voltage power grid is more than 24,000 kilometres long, of which the entire length of the 500 kV grid is 7800 kilometres, the entire length of the 220 kV grid is more than 17,000 kilometres, and the entire length of

the 110 kV grid is 19,500 kilometres. In 2021, the import of electricity from China will be about 1.4 billion kWh.

Chinese-funded enterprises have strong competitiveness in Vietnam's power construction and investment market, with completed and ongoing power projects, including: Hai Phong I and II Thermal Power Projects, Cum Phu I and II Thermal Power Projects, Quang Ninh I and II Thermal Power Projects, Son Doong Power Station Project, Vinh Tan I and II Thermal Power Projects, Coastal I and III Thermal Power Projects, Hai Duong Thermal Power Plant, Bao Creek Thermal Power Plant, and Thanh Long Thermal Power Plant, among others.

In order to adapt to the development trend of clean energy and reduce environmental pollution, the Vietnamese government encourages investment in the field of clean energy such as solar and wind power. Vietnam has introduced a number of preferential policies for the development of wind and solar power generation, and the sector has seen rapid development. In the future, in accordance with the revised Seventh Master Plan for Electricity Development of Vietnam, the target will be set to achieve the proportion of new energy power generation in the total power generation capacity of 10.7 per cent by 2030.

2.4 price level

In 2021, Vietnam's domestic market demand declined due to the impact of the New Crown Pneumonia epidemic, with total retail sales and consumption of goods and services for the year of approximately VND4,789.5 trillion (US\$215 billion), a year-on-year decline of 3.8 per cent, or a real decline of 6.2 per cent excluding the price factor.

Vietnam's price level has remained relatively stable throughout the year, with the consumer price index rising by 1.84 per cent year-on-year in 2021 amidst the severe impact of the New Crown Pneumonia epidemic, and prices of basic necessities such as rice, flour, grain, oil, meat and eggs have not fluctuated significantly. However, there is a wide gap between the price levels in large cities and rural areas in Vietnam, with prices and consumption levels in large cities such as Hanoi and Ho Chi Minh City already close to those in cities in China, while the price levels of basic living goods in most rural areas are still low.

Entering 2022, Vietnam's price volatility has risen due to international situations such as the Russia-Ukraine conflict and the US dollar's interest rate hike, with the average consumer price index in the first three quarters rising by 2.73 per cent year-on-year, but still at a lower level in Southeast Asia.

2.5 development project

In January 2021, the Thirteenth National Congress of the Communist Party of Viet Nam was held in Hanoi. "The Thirteenth Congress made it clear that the overall goal of Viet Nam's economic and social development in the period from 2021 to 2026 is to fully promote industrialisation and modernisation, with a view to becoming a developed socialist country by the middle of the twenty-first century.

[Economy] On 27 July 2021, the 14th National Assembly of Vietnam voted to adopt the Resolution on the 5-year economic and social development plan for the period 2021-2025. Among other things, the average annual GDP growth rate in the 5-year period will reach 6.5-7%; GDP per capita will reach US\$4,700-5,000 by 2025; the contribution of total factor productivity (TFP) to economic growth will be about 45%; the average annual growth rate of social labour productivity will be more than 6.5%; the urbanisation

rate will reach 45%; the share of processing and manufacturing industries in GDP will be more than 25%; and the digital economy will account for about 20 per cent.

[Social aspects] Building a democratic, harmonious, equitable and civilised society. By 2025, the proportion of the agricultural labour force in the total social labour force will reach about 25%; the ratio of trained workers will reach 70%; the urban unemployment rate will be less than 4% in 2025; the poverty rate will maintain a decline of 1-1.5% per year; there will be 10 doctors and 30 beds per 10,000 people; the rate of health insurance participation will reach 95% of the population; the average life expectancy will be about 74.5 years old; and the rate of reaching the standards of the new rural areas will be 80% Above.

[Key industries] In the energy and power sector, the Eighth Power Development Plan of the State Electricity of Vietnam (2021-2030) was issued; in the transport sector, the Road Construction Plan 2021-2030 and the Strategic Plan for the Development of Transportation up to 2030, up to 2050 were issued; in the coal sector, the Coal Development Plan up to 2020, up to 2030 was issued. In the area of coal, the Coal Development Plan for the period up to 2020 and up to 2030 was issued; in the area of textile industry, the Textile Industry Development Plan for the period up to 2020 and up to 2030 was issued.

[National Strategy for the Fourth Industrial Revolution] In August 2019, Vietnam's Ministry of Planning and Investment published a draft National Strategy for the Fourth Industrial Revolution, proposing the proposed establishment of five technology companies with a market capitalisation of US\$1 billion by 2025, increasing to 10 by 2030. According to the draft, total social investment in R&D is expected to account for 1.5 per cent of GDP by 2025, by which time Vietnam will be among the top 30 countries in the world in terms of the number of patents in priority industries for industrial development. In addition, Vietnam plans to set up at least five companies in 2025 and 10 companies by 2030 whose use of Industry 4.0 technologies or next-generation technologies such as

Products produced and services provided by 5G, IoT, AI and data analytics can be exported to the G7. Vietnam expects 20 per cent of companies to be able to use Industry 4.0 technologies by 2025, and plans to increase the proportion to 40 per cent by 2030. The proportion of companies in priority industries in the industrial sector that can apply at least one Industry 4.0 technology will reach 25 per cent in 2025 and 50 per cent by 2030. Priority sectors for technological transformation include public administration, public facilities, healthcare, education, manufacturing, agriculture, logistics, trade, information technology, finance and banking. Viet Nam aims to rise to at least 30th place in the Global Innovation Index ranking, which is currently at 42nd place worldwide.

[Development of key regions] With regard to the construction of port economic zones, Viet Nam has put forward the Plan for the Development of Port Economic Zones up to 2020 and the Outlook for 2030; focused on promoting the construction of six coastal key economic zones; and focused on accelerating the development of the three key economic zones in the South, North and Centre, with the formulation of the Plan for the Economic and Social Development of the three key economic zones in the period of 2010 - 2020. The northern key economic zones include Hanoi, Hai Phong, Quang Ninh, Hai Duong, Hung Yen, Bac Ninh and Vinh Phuc; the central zone includes Hue, Da Nang, Quang Nam, Quang Ngai and Binh Dinh; and the southern zone includes Ho Chi Minh City, Dong Nai, Binh Duong, Bat Dieu-Thou Don, Binh Phuoc, Tay Ninh, Long An and Tien Giang provinces.

[Focusing on the development of the private economy] In June 2017, the resolution of the Fifth Plenary Session of the 12th Central Committee of the Communist Party of Vietnam (CPV) emphasised for the first time that the private economy is "an important driving force of the socialist orientated market economy"¹¹. In the same month, the National Assembly of Vietnam passed the Law on Supporting Small and Medium-sized Enterprises (SMEs). This is the first legal document on small and medium-sized enterprises (SMEs) in Viet Nam, which aims to legally define the status and role of SMEs in Viet Nam's socialist orientated market economy, State policies, and support methods.

[Transport] Viet Nam will give priority to the development of public transport and key transport infrastructure. Railway transport will be restructured to make use of railways for a large volume of medium- and long-distance freight transport and to develop medium-distance passenger and public transport by rail between major cities. In the future, railway infrastructure management and railway transport operations will be separated. Existing north-south railways will be upgraded and modernised, in addition to a north-south high-speed railway system. Railways will be built in the central provinces to connect the western plains and seaports. Viet Nam will study the Trans-Asian Railway. The market share of maritime vessels for import and export will grow from 25 per cent to 30 per cent. By 2020, Viet Nam's market share of maritime transport will increase to 21.25 per cent, catering for 94.3 per cent of Viet Nam's international freight traffic and 8.55 per cent of domestic inter-provincial freight. Vietnam's national seaport system and international port crossings in key economic zones will receive more investment. In the aviation sector, the Government of Viet Nam

It is hoped to increase the market share of low-cost airlines and to promote domestic air cargo.

[Railways] By 2025, strive to complete the railway network connecting the country's seaports, factories, economic zones, oil extraction zones and large tourism centres at the first level. Seek to complete the construction of new railway routes in Lao Cai - Hanoi - Hai Phong and Dong Dang - Hanoi; prioritise the construction of routes for the North-South High Speed Railway; and gradually renovate and expand existing single-line railways into electrified double-line railways. By 2030, complete urban railway transport in Hanoi and Ho Chi Minh and start construction in other major cities; basically complete the north-south high-speed railway network; start construction of the Western Plains Railway, the railway connecting the coastal provinces in the northern plains, and the railway to the provinces in the Nine Dragons Plain.

[Expressway] With the high speed of economic development, motorway has become the focus of highway construction and development in Vietnam. According to the construction plan of Vietnam's motorway network, the construction of 1,913 kilometres of expressway will be completed by 2021, and the motorway network consisting of 21 routes with a total mileage of 6,814 kilometres will be built by 2030, including the North-South Expressway, the Northern Expressway System, the Central-West Plains Expressway System, the Southern Expressway System, and the Ring Road System between Hanoi and Ho Chi Minh City. Highway system.

There are three highways connected to China in the future: Nei Pai - Lao Cai (already opened to traffic), Hanoi - Lang Son (under construction) and Hai Phong - Mang Cai (under construction).

[Foreign investment participation] Vietnam allows and welcomes foreign investors to participate in local infrastructure investment. In the power production sector, for example, in 2017, the Vietnamese government approved three new large-scale thermal power projects invested by Japan and Singapore, namely the Nghi Son II (US\$2.8 billion), Vung Vieng I (US\$2.6 billion), and Nam Dinh I (US\$2.1 billion) thermal power plants, all of which are BOT projects.

[Smart City Development Plan] In August 2018, Prime Minister Nguyen Xuan Phuc

approved a masterplan for the development of sustainable smart cities in Vietnam for the period 2018-2025 and the direction for 2030 development. The master plan aims to realise the potential advantages of cities, maximise the use of human and natural resources, etc., promote green growth and development, and improve the quality of life and economic competitiveness. The masterplan provides a clearer strategic direction for domestic and foreign investors in Vietnam, who are assured of confidence in investing and building relevant projects in the future.

[Digital Society Development Plan] In June 2020, the Vietnamese government's Prime Minister Nguyen Xuan Phuc approved a national plan for digital transformation that will last until 2025, with a vision that will extend to 2030. The goal of this plan is to transform Vietnam into a stable and prosperous digital nation over the next decade. Under the plan, Vietnam will experiment with a range of new technologies and models in an effort to change the traditional way of working in government departments and create a safe, secure and user-friendly digital environment. To this end, there are plans to build and develop Vietnam's broadband infrastructure, upgrade 4G mobile networks while rolling out 5G mobile networks, as well as popularise smartphones nationwide.

[E-commerce Development Master Plan] In May 2020, the Prime Minister of Vietnam issued Decree No. 645/QĐ-TTg approving the formulation of a national e-commerce development plan for the period 2021-2025, which focuses on five specific objectives: firstly, to support and promote the wide application of e-commerce in businesses and communities; secondly, to narrow the gap between large cities and less developed suburbs in terms of e-commerce development; three, to build a healthy, competitive and sustainable e-commerce market; four, to use e-commerce to expand the consumer market for Vietnamese goods both inside and outside the country; and five, to become a leading country in the top 3 e-commerce markets in Southeast Asia. The plan also sets quantitative targets for specific indicators: by 2025, Vietnam's e-commerce sales are planned to reach US\$35 billion, with a 10 per cent share of total retail sales, online shopping consumers accounting for 55 per cent of the total population, annual online spending per capita of US\$600, a 50 per cent share of cashless payments, a 10 per cent reduction in logistics and distribution costs, and 50 per cent of small- and medium-sized enterprises will be operating on the e-commerce platform to carry out business activities.

In May 2017, Vietnam's Ministry of Industry and Trade and China's Ministry of Commerce signed a memorandum of understanding on strengthening e-commerce cooperation.

[Strategic planning for green economy] On 25 September 2012, the Prime Minister of the Government of Viet Nam issued Decision No. 1393/QĐ-TTg approving the Viet Nam Green Growth Strategy 2011-2020 and Vision 2050. It contains 3 strategic tasks: firstly, to reduce greenhouse gas emissions and promote the use of clean and renewable energy, with the specific target of reducing greenhouse gas emissions by 8-10 per cent in the period 2011-2020 and 1.5-2 per cent per year by 2050; secondly, to promote the development of green industries, implement the strategy for cleaner industrialisation and the economic and efficient use of resources; to encourage the development of green science and technology and green agriculture; thirdly, to promote green living; thirdly, to promote the development of green life. Thirdly, promoting green lifestyles and encouraging sustainable consumption.

[Energy Saving and Emission Reduction Route] On 13 May 2019, the Prime Minister of the Government of Vietnam issued Decision No. 280/QĐ-TTg approving the The National Plan for Energy Conservation, Emission Reduction and Efficient Use of Energy 2019-2030, which proposes to save 5-7 per cent of the total national energy use and to reduce the energy loss rate to less than 6.5 per cent in the period 2019-2025. 8-10 per cent of energy is saved in the period 2019-2030.

3. Economic and trade cooperation

3.1 trade agreement

Viet Nam actively participates in bilateral (multilateral) and regional trade co-operation. A member of the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC), and a founding member of the Asia-Europe Meeting (ASEM), Viet Nam joined the World Trade Organisation (WTO) in 2007, marking its full integration into the global economy. Within the WTO framework, Vietnam supports a fair, open and rules-based multilateral trading system. In recent years, Vietnam successfully hosted the 2017 APEC Leaders' Informal Meeting; in 2020, Vietnam assumed the rotating chairmanship of ASEAN to promote the Regional Comprehensive Economic Partnership Agreement (RCEPA)

(In 2022, in Resolution 01/NQ-CP on the Implementation of Priority Tasks in Socio-Economic Development Planning, the Government emphasised that it will "continue to actively promote Vietnam's role in multilateral mechanisms, especially in ASEAN, the United Nations, APEC and the Greater Mekong Subregion (GMS)". role." .

To date, Vietnam has signed 15 free trade agreements (FTAs), including the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), RCEP, the Vietnam-Europe FTA, and the Vietnam-UK FTA. In addition, Vietnam is negotiating with the European Free Trade Association (EFTA, including Switzerland, Norway, Iceland and Liechtenstein) and Israel to sign FTAs. By signing FTAs, Vietnam has established free trade relations with its key economic and trade partners, contributing to the further promotion of bilateral trade and investment, as well as regional and global economic integration. Under the framework of the FTAs, Viet Nam is radiating to the Southeast Asian and even global markets, integrating into the global industrial and value chains.

3.2 foreign trade

[Total trade] In 2021, Vietnam's total import and export trade in goods was \$668.5 billion, up 19.7 per cent year-on-year. Of this, exports were \$336.25 billion, up 19 per cent year-on-year; imports were \$332.25 billion, up 26.5 per cent year-on-year; and the trade

surplus was \$4 billion, down 79 per cent year-on-year, marking the sixth consecutive year of surplus since 2016.

[Major trading partners in goods] In 2021, the top five export destinations of Viet Nam will be, in order, the United States (\$95.6 billion), China (\$56 billion), the European Union (\$40.1 billion), ASEAN (\$28.8 billion) and Japan (\$20.1 billion). Vietnam's top five sources of imports are, in order, China (US\$109.8 billion), South Korea (US\$56.1 billion), ASEAN (US\$41.1 billion), Japan (US\$22.6 billion), and Taiwan, China (US\$20.7 billion).

[Structure of Import and Export Commodities] Vietnam's main export products include: ① mobile phones and parts, with an export value of US\$57.53 billion in 2021 (the same hereinafter) (97.9 per cent of foreign-invested enterprises), accounting for 17.1 per cent of the total value of exports, an increase of 13.1 per cent over the previous year; ② electronics, computers and spare parts, with an export value of US\$50.8 billion (96.7 per cent of foreign-invested enterprises), an increase of 13.5 per cent; ③ textiles

Clothing, exports of \$32.75 billion, an increase of 10.8 per cent; (4) machinery, equipment, tools and spare parts, exports of \$33.1 billion (foreign-funded enterprises accounted for 86.5 per cent of the total) an increase of 41.8 per cent; (5) footwear, exports of \$17.7 billion (foreign-funded enterprises accounted for 78.5 per cent of the total) an increase of 6.6 per cent; and (6) timber and wood products, exports of \$14.8 billion, an increase of 20.3 per cent.

Vietnam's major imports include: (1) computers, electronic products and spare parts, imports of \$ 75.44 billion (22.7 per cent of total imports) in 2021 (the same below) an increase of 17.8 per cent over the previous year; (2) machinery, tools and spare parts, imports of \$ 46.29 billion, an increase of 23.7 per cent; (3) mobile phones and spare parts, imports of \$ 21.43 billion, an increase of 28.9 per cent Textile fabrics, imports of 14.3 billion U.S. dollars, an increase of 21.1 per cent; ⑤ plastics, imports of 11.68 billion U.S. dollars, an increase of 40.7 per cent; ⑥ iron and steel, imports of 11.52 billion U.S. dollars, an increase of 41.9 per cent; ⑦ plastic products, imports of 7.95 billion U.S. dollars, an increase of 10.4 per cent;

(viii) Automobiles, with imports of \$6.56 billion, up 4.2 per cent.

3.3 absorb foreign capital

According to the World Investment Report 2022 released by UNCTAD, Vietnam absorbed \$15.66 billion in FDI flows in 2021, down 0.8 per cent year-on-year, while the stock of FDI absorbed by Vietnam stood at \$192.57 billion at the end of 2021.

Table 3-1. Scale of FDI absorption in Vietnam, 2017-2021

(in billions of United States dollars)

vintages	2017	2018	2019	2020	2021
Absorption of foreign capital flows	141	155	161	158	156.6
Stock of absorbed foreign capital (as of end-2021)					1925.7

Also according to the General Statistics Office of Vietnam, as of December 20, 2021, the agreed amount of new foreign capital absorption (including new approvals, capital increase and capital injection for share purchase) in Vietnam was US\$31.15

billion, up 9.2 per cent year-on-year, and the actual capital in place for foreign investment in 2021 was US\$19.74 billion, down 1.2 per cent year-on-year. Among them, there were 1,738 newly approved projects, down 31.1 per cent year-on-year, with an agreed amount of about US\$15.24 billion, up 4.1 per cent year-on-year; 985 projects with capital increase of about US\$9.01 billion, up 40.5 per cent year-on-year; and 3,797 capital injections and share purchases, with an amount of about US\$6.89 billion, down 7.7 per cent year-on-year.

3.4 foreign aid

At present, Viet Nam has established "development partnerships" (i.e. "aid and assistance") with 28 countries (regions) and 23 multilateral organisations.

The relationship between "donors and recipients"). The above development partners have been providing assistance to Viet Nam since 1992, and have so far committed a total of more than US\$ 95.6 billion to Viet Nam, with an average annual amount of US\$ 3.4 billion. Countries and regions such as Japan, the EU, the ROK, and international financial institutions such as the World Bank and the Asian Development Bank are the main providers of Official Development Assistance (ODA) to Vietnam. Japan has always regarded Vietnam as its priority aid recipient and is the country that provides the most ODA to Vietnam. Japan's assistance to Vietnam is mainly implemented through the Japan International Cooperation Agency (JICA). Since November 1992, Japan has committed to provide assistance (including non-reimbursable aid and ODA loans) to Vietnam in the amount of about US\$30 billion, of which US\$1.6 billion is non-reimbursable aid. In addition, South Korea has provided Vietnam with an average of about US\$30 million in non-reimbursable aid and US\$300 million in ODA loans every year. By the end of 2021, Vietnam will have received a cumulative total of US\$78.2 billion in aid. Of this, about US\$11.6 billion, or 14.9 per cent, is non-reimbursable aid, while the rest is concessional loans, most of which have an interest rate of less than 2 per cent.

3.5 China-Vietnam Economic and Trade Cooperation

3.5.1 bilateral agreement

China-Vietnam economic and trade co-operation continues to develop steadily. At present, China is Vietnam's largest trading partner, the largest source of imports and the second largest export destination. In October 2011, the two countries signed the Five-Year Development Plan for China-Vietnam Economic and Trade Cooperation; in September 2016, they signed the Supplementary and Extension Agreement for the Five-Year Development Plan for China-Vietnam Economic and Trade Cooperation and re-signed the China-Vietnam Border Trade Agreement; in November 2017, they signed an agreement on strategic alignment between the Belt and Road Initiative and the Two Corridors and One Ring Plan, and signed relevant agreements on e-commerce and infrastructure cooperation. Belt and Road Initiative and the "Two Corridors and One Circle" Planning and Development Strategy Docking Agreement, as well as relevant agreements on e-commerce, infrastructure

cooperation, etc., and a list of key projects of the Five-Year Plan; and the Memorandum of Understanding on the Establishment of the Working Group on Trade Smoothness in China and Vietnam, signed in September 2021. At present, the relevant departments of the two Governments are working on an implementation programme on the strategic interface between the Belt and Road Initiative and the "Two Corridors and One Ring" plan.

3.5.2 bilateral trade

China and Vietnam are important trading partners for each other, and the industrial chain and supply chain of the two countries are deeply integrated, with bilateral trade maintaining rapid growth. According to China Customs, bilateral trade in goods between China and Vietnam in 2021 reached US\$230.2 billion, up 19.7 per cent year-on-year in US dollars and 12 per cent year-on-year in RMB, accounting for about a quarter of China's total trade with ASEAN. Of this, China's exports to Vietnam were valued at US\$137.93 billion, up 21.2 per cent year-on-year, while imports from Vietnam were valued at US\$92.27 billion, up 17.6 per cent year-on-year. Vietnam is China's top trading partner in ASEAN and the sixth largest in the world.

The main categories of China's exports to Vietnam include: (1) machinery and equipment and ancillary appliances; (2) computers, electronic products and their parts; (3) telephones and their parts; (4) raw and auxiliary materials for textile, clothing and footwear products; (5) iron and steel products; and (6) plastics and their products.

The main categories of China's imports from Vietnam include: ① telephones and their parts; ② computers and electronic parts; ③ yarn; ④ fruits and vegetables; ⑤ machinery and equipment and ancillary appliances; ⑥ rubber and its products; ⑦ mineral fuels, mineral oils and their products, etc.

Table 3-2 China-Vietnam bilateral trade in goods statistics, 2017-2021

(in billions of United States dollars)

Year	Total exports and imports	Chinese exports	Chinese imports	trade balance	Cumulative \pm per cent over the same period of the previous year		
					import and export	exit	inlet
2017	1212.7	709.4	503.3	206.1	23.4	16.1	35.4
2018	1478.6	839.0	639.6	199.4	21.2	17.2	27
2019	1620.0	978.7	641.3	337.4	9.6	16.7	0.3
2020	1922.9	1138.1	784.7	353.4	18.7	16.3	22.4
2021	2302.0	1379.3	922.7	456.6	19.7	21.2	17.6

Source: General Administration of Customs, China

Also according to the Vietnamese side, the bilateral trade in goods between Vietnam and China in 2021 will be \$165.9 billion. Of this, Vietnam's exports to China will be \$56 billion, up 14.5 per cent year-on-year, while imports from China will be \$109.9 billion, up 30.5 per cent year-on-year. China is Vietnam's number one trading partner, number one source of imports and number two export destination.

3.5.3 Chinese investment in Vietnam

According to China's Ministry of Commerce, the flow of Chinese direct investment in Vietnam in 2021 was US\$2.208 billion; by the end of 2021, the stock of Chinese direct investment in Vietnam was US\$10.852 billion.

Table 3-3. Statistics on Chinese direct investment in Viet Nam, 2017-2021 (Chinese statistics)

(in US\$ million)

vintages	2017	2018	2019	2020	2021
annual flow	76,440	115,083	164,852	187,575	220,762
Year-end stock	496,536	560,543	707,371	857,456	1,085,211

Source: Ministry of Commerce, State Administration of Foreign Exchange, National Bureau of Statistics, China's Outward FDI Statistical Bulletin 2021.

Chinese investment in Vietnam is mainly concentrated in the areas of processing and manufacturing, real estate and power production. Larger investment projects

The projects include: Suzaka Export Processing Zone, Long Jiang Industrial Park, Shenzhen-Haiphong Economic and Trade Co-operation Zone, Rainbow Haihe Industrial Zone, Sai Lun (Vietnam) Co Ltd, Bailong Dongfang, Rainbow Group, Shenzhou International, Lixun Precision, Gore Technology, Lance Technology, Vietnam Photovoltaic, and the first phase of the Vinh Xuan Thermal Power Plant, among others.

Also according to Vietnam's Ministry of Planning and Investment, the flow of Chinese direct investment in Vietnam in 2021 was US\$2.921 billion. Among them, 204 newly approved projects with an agreed value of US\$1.66 billion; 117 original projects with an agreed value of US\$1.04 billion for capital increase; and 433 equity mergers and acquisitions with an amount of US\$200 million. By the end of 2021, China's cumulative investment in Vietnam totalled 3,325 projects with an agreed value of US\$21.33 billion, accounting for 9.6 per cent and 5.2 per cent of the total number of projects and the total amount of agreements of foreign investment absorbed by Vietnam, ranking 7th among 139 countries and territories that have invested in Vietnam.

Table 3-4. Chinese direct investment in Vietnam, 2017-2021 (Vietnamese statistics)

(in billions of United States dollars)

vintages	2017	2018	2019	2020	2021
annual flow	21.68	24.64	40.62	24.59	29.21
Year-end stock	120.84	133.48	162.64	184.59	213.37

Source: Ministry of Planning and Investment, Viet Nam

3.5.4 Contractual engineering and labour cooperation

Vietnam is an important engineering contracting market for China in ASEAN. In recent years, Chinese enterprises have undertaken a number of large-scale transport, electric power, new energy and other engineering projects in Vietnam through international bidding or investment, and the overall progress has been smooth. The Hanoi Light Rail Line 2 project constructed by China Railway Sixth Bureau Group has been put into commercial operation. Of the two 600,000-kilowatt generating units of the

Haiyang Power Plant invested in and contracted by China National Energy Construction Corporation (CNEC) in co-operation with Malaysia, Unit 1 has been put into commercial operation, and Unit 2 has been connected to the grid for power generation.

According to the statistics of the Ministry of Commerce of China, in 2021, Chinese enterprises signed 434 new contracted works contracts in Vietnam, with a new contracted works contract value of US\$8.068 billion, an increase of 63.1 per cent year-on-year; completed turnover of US\$4.716 billion, an increase of 61.0 per cent year-on-year. By the end of December 2021, Chinese enterprises in Vietnam had signed a total of 70.74 billion USD in contracted works contracts, completed turnover of 48.51 billion USD, and dispatched a total of 2,391 labourers of various types, with 1,505 labourers in Vietnam at the end of the year.



Hanoi Light Rail

3.5.5 Offshore Parks

At present, there are six economic and trade co-operation zones (industrial parks) invested and built by Chinese enterprises in Vietnam, including one state-level overseas economic and trade co-operation zone. The main information is as follows:

(1) Longjiang Economic and Trade Cooperation Zone

Long Jiang Economic and Trade Co-operation Zone (Long Jiang Industrial Park) is a comprehensive industrial park invested and developed by China's Zhejiang Tien Giang Investment Management Co Ltd in Vietnam, located in the southern province of Tien Giang. The project has a masterplan area of 600 hectares, including 540 hectares of industrial area and 60 hectares of residential service area, with a total investment of USD 100 million. The investment permit for the park was approved by the Prime Minister of Vietnam in June 2007, and in February 2009, China's National Development and Reform Commission (NDRC) officially approved the project investment. In September 2011, the zone was officially assessed by the Ministry of Commerce of China as a state-level overseas economic and trade co-operation zone.

Long Jiang IP enjoys the most favourable tax policy of the Vietnamese government at present. Enterprises admitted to the park are entitled to a preferential income tax period of 15 years starting from the year of business revenue with a preferential tax rate of 10% (the current corporate income tax in Vietnam is 25%); the first 4 years are tax-free starting from the year of profitability, and the tax rate is reduced by half in

the following 9 years.

At present, the park has developed an area of more than 420 hectares, with 46 enterprises, a total investment of 1.8 billion US dollars, and an annual output value of more than 4 billion US dollars after full production. There are 33 Chinese-funded enterprises with a total investment of more than US\$1.3 billion, and 35 enterprises have formally started production in the park, with an annual output value of more than US\$1.6 billion in the year 2021, a profit tax of US\$50 million, and the creation of 25,000 jobs for the local community.

(2) Shenzhen-Haiphong Economic and Trade Co-operation Zone

Shenzhen-Haiphong Economic and Trade Co-operation Zone (Anyang Industrial Park) is an industrial park invested and developed by the Shenzhen Municipal Government in Haiphong, Vietnam.

The zone covers an area of approximately 2 square kilometres. It was first developed in 2008 by seven private enterprises led by AVIC Shenzhen. In September 2016, the Shenzhen Municipal Government invested RMB100 million to acquire all the shares and undertake the investment, construction and operation of the co-operation zone.

The cooperative zone is planned to develop a land area of 196 hectares and is to be constructed in three phases, with an estimated total project investment of about US\$ 200 million and a cumulative investment of US\$ 130 million. At present, a total of 14 enterprises have been introduced into the park, with a total investment of US\$311 million, and the annual output value is expected to be US\$722 million after full production, including electromechanical equipments, electronic instruments and communication and information equipments, automobile passive safety system components, refrigeration and air-conditioning parts and other light manufacturing fields. There are now 10 Chinese-funded enterprises in the park, with a total investment of US\$261 million. At present, five enterprises in the cooperative zone have officially started production, achieving a gross industrial product of US\$39 million in FY2018, accounting for 0.46 % of Hai Phong City's industrial output value in 2018, and driving Hai Phong City's exports of US\$39 million. By December 2018, the enterprises that have started production provided about 1,220 labour jobs for the local community. When the park is fully completed, it is expected to bring in 30 to 50 enterprises, drive US\$1 billion in investment and bring 30,000 local jobs.

(3) Suzaka Processing and Export Zone

Located in the outskirts of Ho Chi Minh City, Vietnam Suzaka Processing and Export Zone is a Sino-Vietnamese joint venture industrial zone project, which was developed by China Electric Import and Export Corporation and Saigon Industrial Park Development Corporation (IPC) of Ho Chi Minh City with joint capital of Vietnam Suzaka Limited Liability Company in 1992. The project has a registered capital of USD 17 million and a total investment of USD 70 million, covering an area of 326 hectares. Suzaka has developed three industrial parks in close proximity to each other in Suzaka 1, 2 and 3 districts, and as of December 2017 the three districts have attracted a cumulative total of 150 enterprises, with a total investment of US\$1.1 billion, a total

import and export volume of US\$5 billion in 2017, and the creation of 96,000 jobs.

(4) Haihe Rainbow Industrial Park

Vietnam Haihe Tianhong Industrial Park is located in Haihe District, Quang Ninh Province, Vietnam, in the border area between China and Vietnam, and is invested by Zhejiang private enterprise Tianhong Textile Group through Hong Kong Company. In August 2013, the project was launched. The overall planning area of the industrial park is 3,300 hectares, with an expected total investment of US\$1 billion. The first phase of development is 660 hectares, with an expected investment of US\$215 million. About 410 hectares of ripe land has been delivered so far. The park is designed to take textile and garment and its supporting industries as the central industry, adopting a rolling development mode and attracting investment while building. At present, six textile and garment and related enterprises have entered the park (four of which are owned by Rainbow Group) with an investment of US\$697 million. Meanwhile, the first phase of the park is carrying out the construction of roads, water, electricity, gas, sewage treatment, standard workshops, living services and other supporting infrastructure, has invested nearly 500 million yuan in the development and construction of funds, creating 7,800 jobs. After the completion of the park, it is expected to solve the employment of 100,000 people.

(5) Renhui Kangyang Industrial Park

Konyang Industrial Park, Inh Hoi, Vietnam is a Hong Kong-funded industrial park invested by Hong Kong Konyang International Limited in the Inh Hoi Economic Zone of Binh Dinh Province in central Vietnam, which was granted an investment licence in February 2007 and started the development, construction, investment operation and service management of the project of Zone B of the Inh Hoi Industrial Zone (Konyang Industrial Park) through the incorporation of Konyang Vietnam Limited.

The Kangyang Industrial Park has a planned area of 451.86 hectares and a land-use period until 10 May 2057. So far, including the "six links and one levelling" infrastructure project and greening project, the land area has been basically completed for more than 340 hectares, with a total investment of more than US\$ 50 million, and the land area under development and construction is about 110 hectares.

At present, 4 enterprises are officially stationed in Kang Yang Industrial Park, including Vietnam Ming Yang Biochemical Co., Ltd (under Guangxi Nongken Group), Binh Dinh AUSTFFED Co., Ltd (feed processing), Nanyang Baoer Thanh Building Materials Joint Stock Company, Dayang Mining and Processing Co., Ltd, with a total land area of 29.3 hectares. In addition to the part of land used by the Industrial Park, there are still about 400 hectares of land to be continued to attract investment.

The project has a budgeted investment of US\$90 million and, when fully completed, is expected to attract more than US\$800 million in investment. According to the foreseen average labour force of 80 people per square hectare of industrial land, it can solve the employment of 36,000 people, which will bring obvious comprehensive benefits to Binh Dinh province and actively contribute to the formation of an integrated new city in Binh Dinh province.

(6) Beijiang International Logistics Park

Located in Beijiang City, Beijiang Province, Vietnam, the Beijiang International Logistics Industrial Park is a joint venture between Hainan Qicheng Asset Management Joint Stock Company (90 per cent) and Vietnam Huangfu Management and Investment Company Limited (10 per cent), covering an area of 71.66 hectares (Phase I), with an estimated investment amount of US\$218 million. It is planned to build a modern and multi-functional international logistics centre in the north of Vietnam, which will create an

important link in the supply chain of goods in China's southbound corridor. The project has been granted a 50-year right of use.

4. Investment environment

4.1 investment appeal

[Main advantages] The main advantages of Vietnam in attracting foreign investment: First, political stability, rapid economic development, the Communist Party of Vietnam and the Government's strong governing capacity, policy continuity, focusing on economic construction; secondly, relatively low labour costs; thirdly, superior geographic location, geographic location occupies the edge of the Central and South China Peninsula, with 3,260 kilometres of coastline, many high-quality ports, and convenient transportation. The northern part of the country borders with China, with geographic advantages and China to maintain a deep integration of the industrial chain and supply chain; Fourth, Vietnam's investment law is more open, perfect, for foreign investors to provide a more comprehensive basic legal protection and greater incentives; Fifth, the degree of opening up to the outside world is high, at present, Vietnam has signed and is promoting the FTA a total of 17, investors can take advantage of the RCEP, China - ASEAN FTA and other free trade areas, investors can take advantage of the RCEP, China - ASEAN FTA and other free trade agreements. Vietnam has signed and is promoting a total of 17 FTAs, and investors can make use of RCEP, China-ASEAN FTA and other free trade platforms to explore a broader international market; sixth, there is a large demand for infrastructure construction.

[Adverse factors] Adverse factors affecting foreign investment: First, the lack of macroeconomic stability, Vietnam's economy is largely dependent on exports, vulnerable to the international economic environment, high public debt, bad debt, the Government has not yet put forward an effective solution; Second, the quality of the labour force is not high, although Vietnam's labour force is plentiful, but the labour force of the well-educated and vocational skills training accounted for only about 20 per cent of the labour force, the efficiency of labour is relatively low; Thirdly, the supporting industries are relatively backward, and most of the machinery and equipment and raw materials needed for production are imported; fourthly, the foreign exchange control is relatively strict, and investors are subject to greater restrictions on the use of the US dollar, while facing the risk of unstable exchange rate of the Vietnamese dong; and fifthly, the administrative

efficiency of the government departments is relatively low.

[Global Ranking] The World Bank released its Doing Business 2020 report, showing that Vietnam ranks 70th out of 190 economies in the world. The Global Competitiveness Report 2019 released by the World Economic Forum (WEF) shows that Vietnam ranks 67th. The Global Innovation Index 2022 released by the World Intellectual Property Organisation (WIPO) shows that Vietnam ranks 48th out of 132 countries and territories in the overall index.

4.2 financial environment

4.2.1 Local currency

The currency of Vietnam is the Vietnamese dong, which is under foreign exchange control and is not freely convertible. The RMB is not directly convertible to the VND. In early 2016, Vietnam introduced a new exchange rate management mechanism, replacing the long-standing fixed exchange rate mechanism with the Central Bank of Vietnam (CBV) announcing a daily "Central Exchange Rate" (CER), whereby commercial banks determine their respective exchange rate quotations by floating 3% above and below the CER benchmark. The Central Bank of Vietnam flexibly adjusts the central exchange rate, which is determined daily based on a basket of eight currencies and macroeconomic conditions. The Central Bank of Viet Nam adopts policies that include market policies (interest rates and credit) and exchange rate policies (adjustment of the central exchange rate and floating band),

The exchange rate has been stabilised by a number of policy measures, such as the central bank's entry into the market to buy and sell foreign exchange (to regulate supply and demand in the foreign exchange market or expand foreign exchange reserves), foreign exchange management policies (such as encouraging exports and capital inflows and restricting the use of the US dollar domestically), and window guidance and official commitments (such as requiring SOEs to settle foreign exchange to increase the supply of foreign exchange or announcing the maximum depreciation tolerance for the year). Over the last four years, the VND has depreciated by an average of 1-2 per cent per year against the US dollar, with an overall depreciation of about 1 per cent in 2021. The Vietnamese dong is considered one of the relatively more stable currencies in Asia.

In recent years, with the growing economic and trade cooperation between China and Vietnam, the demand for the use of RMB settlement in Vietnam is increasing. In August 2018, the Central Bank of Vietnam (CBV) decided that from 12 October 2018, RMB settlement can be used in the border areas between Vietnam and China, and the settlement of related goods or services can be paid in either the VND or the RMB, and the mode of payment can be in cash or by bank transfer. RMB and VND swap settlement in Vietnam is only applicable within the seven provinces bordering China, namely Lang Son, Quang Ninh, Ha Giang, Lai Chau, Lao Cai, Cao Binh and Dien Bien.

4.2.2 Foreign exchange management

With regard to foreign exchange management, foreign investors may open VND or foreign exchange accounts with Vietnamese financial institutions in accordance with Vietnamese foreign exchange management regulations. Resident organisations are required to obtain approval from the State Bank of Vietnam if they need to open accounts in foreign banks. Foreign investors may purchase foreign exchange from financial institutions engaged in foreign exchange operations to meet the needs of project transactions, capital transactions and other transactions. If the foreign exchange financial institutions cannot meet the needs of investors, the Government will resolve their foreign exchange balance according to the project. In addition, a "free market" exists in Viet Nam outside of financial institutions, providing small foreign

currency exchange services.

Vietnam Customs stipulates that when entering or leaving the country, if you carry 5,000 US dollars or other foreign currencies of equivalent value, cash of more than 15 million Vietnamese dong, or more than 300 grams of gold, etc., you must declare it, or else you will be punished in accordance with the relevant regulations of Vietnam Customs. For Chinese domestic groups visiting Vietnam, if the group fee is carried by a special person, the excess should be declared at the time of entry and exit or kept in a separate place in order to avoid being penalised.

4.2.3 Banks and insurance companies

[Central Bank] State Bank of Viet Nam.

[Policy banks] There are two policy banks in Viet Nam: the Social Policy Bank and the Viet Nam Development Bank.

[Commercial banks] As of today, the local commercial banks of Viet Nam include 4 wholly State-owned or controlled banks (Viet Nam Bank for Investment and Development, Viet Nam Foreign Trade Joint Stock Commercial Bank, Viet Nam Industrial and Commercial Bank and Viet Nam Agricultural and Rural Development Bank), 31 joint stock commercial banks, 16 finance companies and 10 financial leasing companies.

According to data released by the Central Bank of Vietnam, by the end of 2021, the country's credit growth was 13.53 per cent and the bad debt ratio was 1.9 per cent, high

at 1.69 per cent in 2020.

[Foreign banks] As of 31 December 2021, there were 51 foreign bank branches, 2 joint venture banks, 9 subsidiaries of foreign banks and 54 representative offices of foreign financial institutions in Viet Nam, predominantly from Japan, South Korea, the United States, China and Taiwan.

[Chinese banks] Industrial and Commercial Bank of China (ICBC) and Agricultural Bank of China (ABC) have set up branches in Hanoi; Bank of China (BOC), China Construction Bank (CCB) and Bank of Communications (BCC) have set up branches in Ho Chi Minh City; Bank of China (BOC) has set up a representative office in Hanoi, and Industrial and Commercial Bank of China (ICBC) has set up a representative office in Ho Chi Minh City; and China National Development Bank (CNDB) has set up a working group in Hanoi.

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(6) China Development Bank Working Group in Vietnam Contact.

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0084-12-76719901

Domestic contact telephone: 0771-8018223 (Nanning, Guangxi)

[Insurance companies] The top 10 domestic insurance companies in Vietnam in 2021 are Bao Viet, PVI, Postal Insurance, PJICO, Army Insurance, BIDV, BAO MINH, Industrial and Commercial Insurance, Agricultural Bank Insurance and Hanoi Saigon Insurance.

According to the Vietnam Insurance Association's estimated data for 2021, the total premium income for the entire market is estimated at VND217.3 trillion (about \$9 billion), an increase of 16.71 per cent over the same period in 2020, of which the expected life of non-life insurance premium income is estimated at VND57.8 trillion

(about \$2.5 billion), an increase of 3.98 per cent, while life insurance premium income is estimated at VND159.4 trillion (about \$6.5 billion), an increase of 22 per cent.

4.2.4 Financing channels

In terms of financing, foreign-invested enterprises enjoy the same treatment as local enterprises. As long as the investor operates legally and engages in investment activities that do not fall into areas where financing is explicitly prohibited by the Central Bank of Vietnam, he/she can apply for financing under the condition that he/she meets the internal compliance and internal control requirements of each financial institution. Financing channels for foreign investors include bank financing, debt issuance and share issuance.

Financial institutions decide on the amount of loans based on the customer's loan demand and repayment ability and their own financial capacity. The amount of financing by a financial institution for a single customer shall not exceed 15 per cent of the registered capital of the financial institution and 25 per cent of the registered capital of the financial institution for group affiliates. If the total balance of loans to a single customer exceeds 15 per cent of the financial institution's own capital or if the customer has multiple financing needs, the financial institutions shall issue syndicated loans in accordance with the regulations of the State Bank of Viet Nam.

In terms of US dollar loans, Vietnam has strict restrictions and since October 2019 financial institutions are not allowed to provide medium- and long-term foreign currency loan services to enterprises. It is stipulated that enterprises applying for US dollar loans must be for the purpose of executing overseas export production operations, for paying for the import of goods or labour and have the ability to pay for the repayment with their own foreign exchange earnings. Enterprises with sufficient sources of foreign exchange earnings from exports abroad, in order to meet the short-term needs of local production and operation, after the completion of lending by the financial institution or foreign bank branch, the borrower is required to settle the foreign exchange in the local institution in the local currency through foreign exchange transactions for the purpose of making payments.

4.2.5 Credit Card Usage

In recent years, the Government of Viet Nam has endeavoured to promote cashless payment methods throughout the country, and the use of credit cards has gradually gained

popularity. Foreign cardholders can use their cards with logos **such as** "UnionPay", "Visa", "Master", **etc. to** withdraw cash and make enquiries at ATMs with corresponding logos, or make purchases at POS machines with corresponding logos, without restrictions on the opening hours and locations of banks. Cashless payments have been growing rapidly since the 2020 outbreak of CKP, which was not subject to restrictions on the opening hours and locations of banks, or the swiping of cards at POS machines with the corresponding logo. As of April 2022, Vietnam had more than 79 organisations offering payment services via the internet and 45 organisations offering payments via mobile phones. The country has more than 271,000 POS machines and 19,000 ATMs. The transaction value in the digital payment sector was US\$15 billion in 2021, up 168.5 per cent year-on-year. However, for the time being, Vietnamese merchants are unable to legally offer third-party payment services through **Alipay** or **WeChat**.

Chinese banks in Vietnam mainly provide VND debit card issuance services, and according to Vietnam's regulatory requirements, card applicants are required to provide documents proving legal residence in Vietnam for at least one year.

4.3 financial market

The Vietnam National Securities Commission was established on 28 November 1996, which is an important symbol of the formation of the Vietnamese securities market. Currently, there are two stock exchanges and three markets in Vietnam (the Hanoi Stock Exchange has a GEM market under it in addition to the Main Board).

By the end of 2021, Vietnam's securities market had a market capitalisation of about VND7,729 trillion (US\$315 billion), equivalent to 122.8 per cent of GDP, with a total of 2,133 listed and traded enterprises. According to the Vietnam Securities Depository (VSD), by the end of 2021, Vietnam's securities market accounts had increased from 3,000 in 2000 to over 4.3 million, 99 per cent of which were opened by Vietnamese domestic investors. Of these, 1.55 million new individual accounts were opened in 2021, equivalent to four times the number of accounts opened in the whole of the previous year. In 2021, Vietnam's stock index rose by 36 per cent, and on 25 November 2021, it exceeded 1,500 points for the first time.

According to the strategy for the development of Vietnam's securities market by 2030 towards 2045, the total market value of Vietnam's stock market will reach 85 per cent of GDP by 2025 and 110 per cent of GDP by 2030; the total market value of the bond market will reach 47 per cent of GDP by 2025 and 58 per cent by 2030; and the number of investors will account for 5 per cent of the country's population in 2025 and 8 per cent in 2030; and the number of investors will account for 5 per cent of the country's population in 2030 and 8 per cent in 2030, according to the strategy for the development of Vietnam's securities market to 2030 towards 2045. The number of investors will be 5 per cent of the country's population by 2025 and 8 per cent by 2030.

4.4 factor cost

4.4.1 Water, electricity, gas and oil prices

[Price of water] The price of clean water in Viet Nam varies greatly depending on factors such as geography and the nature of the subject of water use, and the governments of provinces and municipalities directly under the central government have the right to determine the price of water. The price of water consumption is graded, with the higher the consumption, the higher the price. According to the notice of the Ministry of Finance, from 5 August 2021, the basic price range of water for residential and industrial/commercial use will be as follows: Special and first class municipalities: 3,500-3,500 per day.

VND18,000 (US\$0.15-0.79) per cubic metre; VND3,000-15,000 for Grade 2, 3, 4, 5 city centres

(\$0.13-0.66)/m³; VND2,000-11,000 (\$0.08-0.48)/m³ in rural areas. The above prices are inclusive of VAT.

[Electricity tariffs] The tariffs are determined in accordance with the tariffs issued by the Government. The average retail price of commodity electricity is VND1,864.44 (about US\$0.08)/kWh (excluding value-added tax, the same hereinafter) The price of electricity varies greatly depending on the time of day, industry, voltage, and the nature of the subject of electricity consumption. is VND1,536 (about US\$0.067)/kWh, VND970 (about US\$0.043)/kWh during the low peak period and VND2,759 (about US\$0.12)/kWh during the peak period.

[Gas Price] The price of liquefied natural gas (LNG) in Vietnam fluctuates in accordance with market factors, and the price of LNG including tax on 1 April 2022 is VND494,000 (approx. US\$20) per cylinder (12 kg) and VND1,799,500 (approx. US\$75) per cylinder (45 kg).

[Petrol and diesel prices] Vietnam's refined oil products are priced according to two regions, with the first category of areas being Hanoi, Ho Chi Minh City, Hai Phong, Quang Ninh and other 19 provinces/municipalities with relatively developed economies. Type II areas are 44 mountainous border provinces and islands such as Ha Giang, Cao Bang and others.

Areas. The price of refined oil products in Class II areas is about 2 per cent higher than in Class I areas. According to data released by the Vietnam Petrol Group, in April 2022, the average tax-inclusive price of 95-grade petrol in Vietnam's Class I areas was VND28,434 (about US\$1.2) per litre, the price of 92-grade petrol was VND27,468 (about US\$1.15) per litre, and the average price of light diesel oil was VND25,530 (about US\$1.1) per litre.

4.4.2 Labour wages and supply and demand

[Labour wages] Viet Nam has divided the country into four categories of districts with different minimum wage rates. Category 1 districts are Hanoi and Ho Chi Minh City; Category 2 districts are rural areas in Hanoi and Ho Chi Minh City, as well as the urban areas of Can Tho, Da Nang and Hai Phong; Category 3 districts are provincial-level cities and the urban areas of Bac Ninh, Bac Giang, Hai Duong and Vinh Phuc; and Category 4 districts are other areas. According to the Vietnamese Government's regulations on minimum wage rates for workers, the monthly minimum wage rates from 1 to 4 categories of districts from 1 July 2022 onwards will be VND4.68 million (about US\$195), VND4.16 million (about US\$173), VND3.64 million (about US\$150), and VND3.25 million (about US\$133), respectively. The above wage rates are the minimum labour remuneration paid by enterprises to workers on the premise of providing normal labour under normal working conditions and working hours. When paying the monthly salary, enterprises are also required to include overtime pay, night shift pay, occupational hazard protection and other expenses.

The average wage of enterprise employees in 2021 was VND7.84 million (about US\$330) per month, up 4 per cent year-on-year and 0.9 per cent higher than in 2019 before the epidemic. The average wage of employees at state-owned enterprises was VND9.13 million (about \$399) per month, flat year-on-year; at private enterprises, VND7.5 million (about \$315) per month, up 5 per cent year-on-year; and at foreign-invested enterprises, VND8.26 million (about \$345) per month, up 2 per cent year-on-year.

Employee incomes vary considerably across jobs and industries. In 2021, the higher-paying sectors are concentrated in finance and banking, cosmetics, electronics and information technology, and healthcare, which have been less affected by the new

coronavirus outbreak.

[Labour supply] Labour wages are relatively low, making the Vietnamese labour market highly competitive, but there are also problems such as insufficient skills and competencies, low labour efficiency, etc. In 2021, there will be about 50.5 million people over 15 years of age in the labour force. The proportion of labourers who have received diplomas or certificates through skills training is 24.1 per cent, with 39.9 per cent of the labour force in urban areas and 16.3 per cent in rural areas. In 2021, the actual number of employed people in the labour force of the appropriate age group in Vietnam will be 49 million people, of which about 14.2 million will be employed in the primary sector, an increase of 0.3 per cent; 16.2 million will be employed in the secondary sector, a decrease of 1.5 per cent; and 18.6 million will be employed in the tertiary sector, a decrease of 4.1 per cent. 18.6 million, down 4.1 per cent.

Viet Nam has set a high threshold for foreign labour importation, strictly restricting the importation of ordinary labour and limiting the foreign labour positions offered to enterprise managers, departmental managers, specialists and technicians. According to the Ministry of Labour, Injuries and Social Affairs (MOLISA), as of early April 2022, there were 123,000 foreign labourers working in Vietnam, of which nearly 13 per cent were in managerial positions, 8 per cent were senior executives, and the majority were technicians, accounting for 59 per cent. Foreign workers come from China, South Korea, Japan, China

Taiwan and 110 other countries and regions, mainly concentrated in large cities and locations of large-scale foreign contracted projects.

4.4.3 Land and housing prices

[Land prices] According to the Constitution of Viet Nam, the ownership of land and natural resources is uniformly exercised by the State on behalf of the entire population, while citizens and organisations only enjoy the right to use land. In principle, industrial land is centrally supplied, i.e. the State establishes a number of industrial parks, from which enterprises lease land for a period of up to 50 years in general, with prices varying greatly according to geography and location. In recent years, land use prices in economically developed cities and regions such as Hanoi and Ho Chi Minh City have continued to rise. According to statistics from the Ministry of Construction, in 2021, the average land grant price for industrial zones in 25 provinces and cities in the north of Vietnam was about US\$109/sqm/rental period, up 9.2 per cent year-on-year, while that of 17 provinces and cities in the south was about US\$120/sqm/rental period, up 9 per cent. In July 2022, it was about US\$140/sqm in the north of Hanoi, US\$120/sqm in Bac Ninh, and US\$105/sqm in Hai Phong; In the south, Ho Chi Minh City about US\$180/sqm, Long An about US\$125/sqm, Binh Duong about US\$120/sqm and Dong Nai about US\$110/sqm.

[Housing Rent] The average rent of Grade A office in Hanoi in the third quarter of 2022 is USD 26/sqm/month and Grade B is USD 14.5/sqm/month; the average rent of Grade A office in Ho Chi Minh City is USD 45.9/sqm/month and Grade B is USD 25.9/sqm/month.

[House selling price] The Vietnam Ministry of Construction's real estate market report for the second quarter of 2022 shows that with the socio-economic recovery in 2022, flat transaction prices in Ho Chi Minh City and Hanoi have risen by 8-10 per cent compared to the same period of the previous year. In the Vietnam real estate market in the second quarter of 2021, the house price of ordinary flats was about 1,100 - 1,320 USD/square metre, the house price of medium grade flats was 1,350 - 2,193 USD/square metre, with premium flats priced at US\$2,200-US\$3,000/sqm and budget houses (50-70 sqm) around US\$1,000/sqm. Vietnam's Ministry of Construction said that as of the second quarter of 2022 there are no more projects in the urban areas of Hanoi

and Ho Chi Minh City with unit prices of less than VND30 million (about US\$1,200).

4.4.4 construction cost

Office building construction cost in Vietnam is about USD 200-450 per square metre in 2021-2022. General industrial building construction cost 60-110 USD/m² and reinforced concrete structure plant building cost about 210-240 USD/m².

Table 4-1. Prices of selected building materials in Hanoi and Ho Chi Minh City in the second quarter of 2022

Product Name	Price (excluding VAT)	
	Hanoi, capital of Vietnam	Ho Chi Minh City, Vietnam
boulder	8.0 - \$12/m ³	About \$15.5/m ³

building sand	2.8 - \$12.5/m3	7.9 - \$17.3/m3
Rebar	0.72 - 0.74 USD/kg	0.58 - 0.62 USD/kg
clinker	\$41.0 - \$57.0/tonne	53.6 - 60.4 USD/tonne
timber	\$65.8 - \$88.7 per cubic metre	-
tiles	4.4 - 16.5 USD/square metre	-

Source: Hanoi, Ho Chi Minh City Department of Construction.

5. Regulatory policy

5.1 Trade regulations and policies

5.1.1 Trade authorities

The ministry in charge of trade in Viet Nam is the Ministry of Industry and Trade, with 36 departments and research institutes in charge of national industrial production (including production of machinery, metallurgy, electricity, energy, oil and gas, minerals and foodstuffs, consumer goods, etc.), domestic trade, foreign trade, WTO affairs, negotiations on free trade zones. Each province and municipality directly under the central government has a Department of Industry and Trade (DIT), which is in charge of industry and trade within its jurisdiction. In addition, the Ministry of Industry and Trade has representatives in embassies, consulates and multilateral economic and trade organisations.

5.1.2 Trade regulations

The main trade-related laws and regulations are the Trade Act, enacted in 2005, and the Foreign Trade Administration Act, enacted in 2017.

5.1.3 Relevant provisions on trade regulation

In accordance with its WTO accession commitments, Viet Nam has gradually eliminated import quota restrictions and basically managed them in accordance with market principles. Commodities prohibited for import mainly include: weapons, ammunition, inflammable and explosive substances except for industrial use, drugs, toxic chemicals, military technical equipment, anaesthetics, some children's toys, cultural goods whose issuance and dissemination are prohibited by regulations, all types of firecrackers (except for those approved by the Ministry of Transportation and Communications for safe seafaring purposes), tobacco products, second-hand consumer goods (textiles, footwear, clothing, electronic products, refrigeration equipment, household appliances, medical equipment, interior decoration), second-hand communication equipment, right-hand drive motor vehicles, second-hand materials, second-hand internal combustion engines with less than 30 horsepower, products and materials containing asbestos, various types of specialised passwords and

various types of password software. From July 2016, Vietnam will allow the import of second-hand equipment with a service life of no more than 10 years. The circular will replace Circular No. 20/2014/TT-BKHCN, which was introduced in July 2014. Under Circular 23, imported second-hand equipment is required to comply with Vietnam's national technical standards or G7 standards in terms of safety, energy saving and environmental protection. In addition, Vietnam has banned the import of second-hand equipment recognised by authoritative agencies as outdated, of poor quality and polluting the environment. Manufacturing enterprises that need to repair or replace equipment in operation are allowed to import second-hand parts and components, which can be imported on their own or entrusted to other enterprises. In addition, for second-hand equipment that has been in use for more than 10 years, if production enterprises still need to import it, they can also apply to the Ministry of Science and Technology of Viet Nam.

With regard to exports, Viet Nam manages them mainly through export bans, export tariffs, quantitative restrictions and other measures. Commodities prohibited for export mainly include: weapons, ammunition, explosives and military equipment, drugs, toxic chemicals, antiques, round logs cut from domestic natural forests, sawn timber, timber originating from domestic natural forests, charcoal, wild animals and rare animals,

Special ciphers and cryptographic software used to protect State secrets, etc.

With regard to rules of origin, goods must have a local value added of more than 30 per cent to be recognised as being of Vietnamese origin. In 2019, the Ministry of Industry and Trade (MoIT) published a draft Regulation on the Measures for Determining Vietnamese Products or Goods Produced in Vietnam, which requires that local value added exceed 30 per cent to be recognised as having a "made in Vietnam" mark.

5.1.4 Import and export commodity inspection and quarantine

[General cargo] The import and export of general cargo in Viet Nam is mainly cleared and supervised in accordance with the relevant provisions of the Viet Nam Customs Law. The owner of the goods or his/her appointed agent is required to make declaration, submit customs registration; surrender or present licences and other necessary documents in accordance with the provisions of the law; deliver the object of customs inspection to the place of inspection as stipulated; fulfil the obligation to pay export tax, import tax and other obligations stipulated by the law and pay customs handling fees. After completing the customs formalities, the customs officer indicates in the customs register that the customs formalities have been completed with respect to the goods in question. Goods for which customs formalities have been completed may be issued with an export licence or an import licence. During customs formalities, drivers of inbound and outbound means of transport, imported and exported goods, baggage, foreign currency, Vietnamese currency, parcels and mail are subject to customs inspection. Goods, baggage, foreign exchange, Vietnamese currency, parcels, mails, means of transport that have entered the country but have not completed customs formalities or have completed customs formalities but have not left the country are subject to customs supervision. The time limit for customs inspection and supervision is from the beginning of customs inspection and supervision to the completion of export; customs inspection shall be carried out face to face with the owner or legal representative of the object to be inspected at the port of entry or in an area recognised by customs. The Customs has the right to inspect goods and baggage when the owner has not yet been found, if necessary, in cases involving safety and

health issues. In the course of inspection and supervision, if there is a basis for determining that the imported or exported goods, foreign exchange, Vietnamese currency or articles are suspected of violating the law and are carried by the person entering or leaving the country or are hidden in the goods, baggage, parcels, mails or means of transport entering or leaving the country, the Customs Director of the port of entry has the right to decide on restraining the suspected person or to request cooperation in carrying out a search. When the imported or exported goods, foreign exchange, Vietnamese currency, articles are found to be illegal, the Customs Commissioner of the port of entry or above has the right to temporarily detain them in order to deal with them. Search and temporary detention shall be conducted in accordance with the provisions of the law. The Customs officer who makes the decision shall be legally responsible for the decision made. When imported and exported goods and baggage are subject to customs inspection and supervision, if there is a need for warehousing, the area of warehousing shall be sealed by the Customs. Viet Nam Customs inspects imported and exported goods in accordance with the State's import and export regulations, inspects import and export licences, inspects other necessary documents stipulated by law, and inspects the actual goods against the customs declaration.

[Foodstuffs] Vietnam's supervision of imported and exported foodstuffs is mainly based on the Law No. 55/2010/QH12 on Food Safety, which stipulates in Article 38 of Chapter 6 "Importing and Exporting Foodstuffs", Section 1 "Conditions for Importing Foodstuffs". Article 38 of Chapter 6 "Import and export of food", Section 1 "Conditions for guaranteeing the safety of imported food" stipulates the conditions for guaranteeing the safety of imported food, Article 39 stipulates the state inspection of food safety of imported food, and Article 40 stipulates the procedures, formalities and modalities of food safety inspection of imported food. Section II "Export

Article 41 of Chapter VII on "Conditions for food safety and security for export" **stipulates the** conditions for food safety and security for export, and Article 42 stipulates the certification authorities for exported food. Article 44 of Chapter 7 "Food labelling, advertising" stipulates that imported food products shall be labelled in accordance with the requirements of Vietnamese laws. Chapter VIII "Food inspection, risk assessment in food safety, prevention, deterrence and prevention of food safety accidents", Section IV "Traceability, recall and disposal of food that cannot be guaranteed to be safe", Article 55e stipulates that imported food that has been notified by the exporting country, a third country or an international organisation as containing substances hazardous to human life is notified by the exporting country, a third country or an international organisation as being dangerous to human life. Article 55(e) states that imported foods must be recalled and disposed of if they are notified by the exporting country, a third country or an international organisation of the presence of ingredients or contaminants that are dangerous to human life and health. Article 62, paragraphs 1-e, of Chapter X, "State management of food safety", Section I, "Responsibility for state management of food safety", provides that the Ministry of Health will, if necessary, carry out unannounced inspections and audits of imported food products that are in violation of the regulations of other ministries.

[Pharmaceutical goods] The regulation of import and export of pharmaceutical goods in Viet Nam is mainly based on Viet Nam's Law No. 105/2016/QH13 on Pharmaceuticals. Chapter I of the Law, "General Definitions", Article 6, paragraphs 5-c, prohibits the import and production of medicines and pharmaceutical raw materials that are on the negative list. Chapter II, "National Policy on Drugs and Pharmaceutical Development", article 7, paragraph 4-a, stipulates that tenders may not be invited for imported drugs of the same type as those included in the list of medicines issued by the Ministry of Health, which are available in the country in terms of treatment, price and availability, and paragraph 5 stipulates that priority should be given to the approval of rare medicines. Article 10, paragraph 6-a, stipulates that the Ministry of Finance shall take the lead and cooperate with the Ministry of Industry and Trade, the Ministry of National Defence, the Ministry of Health and the People's Committees of the provinces with ports and borders to control medicines and pharmaceutical raw materials that have not yet

been approved for circulation, and control and import medicines that have not yet been approved for circulation, but are of a rare or special nature. Article 17 of chapter III, entitled "The pharmaceutical industry", sets out the conditions for persons specialising in the importation of medicines. Article 33, paragraphs 1-b, stipulates that drug importers need to have business premises, drug storage warehouses, equipment for storage, means of transport, quality control systems, professional and technical materials and human resources in order to better fulfil their duties of storing drugs and pharmaceutical raw materials, and to report on imports and exports to the relevant authorities on a regular basis, or in accordance with the requirements of the relevant authorities. Article 60 sets out specific requirements for the import and export of drugs and pharmaceutical ingredients, of which paragraph 1 requires that drugs and pharmaceutical ingredients must be pharmaceutical ingredients used in the production of pharmaceuticals that have been issued a circulation and sales certificate in Vietnam or are indicated in the registration materials of pharmaceuticals for the production of pharmaceuticals according to the certificate of registration of pharmaceuticals in Vietnam. An import licence must be applied for in respect of the above, except for the cases stipulated in paragraph 4 of this Article. Paragraph 2 provides for some cases in which pharmaceutical products that have not obtained a certificate of registration for circulation of pharmaceutical products in Viet Nam may be imported on the basis of an import licence:

a) Containing active ingredients that have not obtained a certificate of drug registration or have obtained a certificate of drug registration but do not meet the therapeutic need; b) Containing herbal ingredients that have been introduced into Vietnam for the first time or have been introduced into Vietnam but have not yet met the therapeutic need; c) Used to meet the needs of national defence and security, prevention and control of epidemics, responding to natural disasters and reconstruction in the aftermath of disasters, and emergency and special treatment needs; d) Rare medicines; which are of the same trade name, active ingredients, content or concentration, and dosage form with a certificate for circulation and sale in Vietnam, manufactured by or authorised to be manufactured by the manufacturer of the original brand-name drug, at a price lower than that of the original brand-name drug circulating in Vietnam; e)

for the country's health programmes; f)aid, humanitarian assistance; g)clinical drug trials,

Bioequivalence tests, bioavailability evaluation, registration forms, test samples, scientific research, participation in exhibitions and trade fairs; h) Other cases of non-commercial use. It is also stipulated that medicinal ingredients are not yet certified for circulation in Viet Nam but are allowed to be imported in the following cases: a) production of samples for registration, testing, pharmaceutical research, participation in exhibitions or trade fairs; and b) production of medicines for export, medicines for national defence and security needs, disease prevention and control, and anti-disaster use.

5.1.5 Customs administration regulations

Customs clearance and supervision of other types of goods in Viet Nam are mainly carried out in accordance with the relevant provisions of the Viet Nam Customs Law. The owner of the goods or his/her appointed agent is required to make declaration, submit customs registration, surrender or present licences and other necessary documents in accordance with the provisions of the law, deliver the object of customs inspection to the specified place of inspection, fulfil the obligation to pay export tax, import tax and other obligations stipulated by the law and pay customs handling fees. After completing the customs formalities, the customs officer indicates in the customs register that the customs formalities have been completed with respect to the goods in question. Goods for which customs formalities have been completed may be issued with an export licence or an import licence. During customs formalities, drivers of inbound and outbound means of transport, imported and exported goods, baggage, foreign exchange, Vietnamese currency, parcels and mail are subject to customs inspection. Goods, baggage, foreign exchange, Vietnamese currency, parcels, mails, means of transport that have entered the country but have not completed customs formalities or have completed customs formalities but have not left the country are subject to customs supervision. The time limit for customs inspection and supervision is from the beginning of customs inspection and supervision to the completion of export; customs inspection shall be carried out face to face with the owner or legal representative of the object to be inspected at the port of entry or in an area recognised by customs. The Customs has the right to inspect goods and baggage when the owner has not yet been found, if necessary, in cases involving safety and health issues. In the course of inspection and

supervision, if there is a basis for determining that the imported or exported goods, foreign exchange, Vietnamese currency or articles are suspected of violating the law and are carried by the person entering or leaving the country or are hidden in the goods, baggage, parcels, mails or means of transport entering or leaving the country, the Customs Director of the port of entry has the right to decide on restraining the suspected person or to request cooperation in carrying out a search. When the imported or exported goods, foreign exchange, Vietnamese currency, articles are found to be illegal, the Customs Commissioner of the port of entry or above has the right to temporarily detain them in order to deal with them. Search and temporary detention shall be conducted in accordance with the provisions of the law. The Customs officer who makes the decision shall be legally responsible for the decision made. When imported and exported goods and baggage are subject to customs inspection and supervision, if there is a need for warehousing, the area of warehousing shall be sealed by the Customs. Viet Nam Customs inspects imported and exported goods in accordance with the State's import and export regulations, inspects import and export licences, inspects other necessary documents stipulated by law, and inspects the actual goods against the customs declaration.

5.2 Foreign investment regulations

5.2.1 Investment authorities

The central government department in charge of investment in Viet Nam is the Ministry of Planning and Investment (MPI), with 31 departments and institutes, which is mainly responsible for the management of "planning and investment" nationwide, providing comprehensive references for the formulation of national economic and social development planning and economic management policies, managing domestic and foreign investment, managing the construction of industrial zones and export processing zones, and taking the lead in the management of the use of ODA. It is also responsible for managing domestic and foreign investment, managing the construction of industrial zones and export processing zones, taking the lead in managing the use of the ODA, and providing comprehensive reference for the formulation of national economic and social planning and economic management policies.

Responsible for managing the bidding of some projects, the establishment and development of various economic zones and enterprises, the collective economy and cooperatives, and the responsibility for statistics.

The department in charge of investment in the governments of provinces and municipalities directly under the Central Government is the Department of Planning and Investment.

5.2.2 Foreign investment regulations

Vietnam has adopted a negative list system for investment projects. The new version of the Investment Law, which came into effect on 1 January 2021, specifies 25 sectors in which foreign investment is prohibited and 59 sectors in which there are market access restrictions.

5.2.3 Provisions for foreign market access

According to the new version of Vietnam's investment law, foreign market access is as follows:

Industries in which foreign investment is not permitted (25 industries)

- (1) (b) To deal with goods and services in the field of commerce which are monopolised by the State;
- (2) Various forms of news and information-gathering activities;
- (3) Aquatic fishing or exploitation;
- (4) Security investigation services;
- (5) Judicial administration services, including forensic services, service of process services, property auction services, notary services and asset liquidation services;
- (6) Services for sending labourers to work abroad under contract;
- (7) Investment in the construction of mausoleum and cemetery facilities in order to transfer the right to use the land associated with the facilities;
- (8) Waste collection service directly from residents' homes;
- (9) Consultation (polling) services to the public;

- (10) Blasting services;
- (11) Manufacture and operation of weapons, blasting materials and auxiliary tools;
- (12) Import and dismantling of second-hand marine vessels;
- (13) Postal Public Service;
- (14) Commodity re-export;

(15) Merchandise goes in and out;

(16) Export, import and distribution of goods in the catalogue of goods that cannot be exported, imported and distributed by foreign investors and foreign-funded economic organisations;

(17) Collection, purchase and disposal of public property in units belonging to the armed forces;

(18) Production of military goods or equipment; dealing in uniforms, military goods and military weapons for the armed forces; dealing in equipment, technology, devices, vehicles and parts, components, accessories, goods and special equipment for the exclusive use of the military and the police; and dealing in technologies specialised in the production of the aforementioned goods;

(19) Industrial property agency services, intellectual property appraisal services;

(20) Establishment, operation, maintenance and upkeep of warning systems for navigation, water areas, waters, public maritime waterways and routes; services for the inspection of water areas, waters, public maritime waterways and routes for the purpose of publication of Notices to Mariners; inspection, production and issuance of nautical charts of waters, harbours, maritime waterways and routes; production and issuance of nautical safety information, printed matter;

(21) Dispatch services for the purpose of ensuring the safety of navigation in water areas, waters, and public maritime waterways; nautical electronic information services;

(22) Inspection (checking, testing) and issuance of certificates for means of transport (including systems, assemblies, equipment and parts); inspection and issuance of technical safety and environmental protection certificates for tools, special equipment, containers and hazardous materials packaging equipment used for transport; inspection and issuance of technical safety and environmental protection certificates for offshore oil and gas exploration, extraction and transport tools and equipment; technical safety and environmental protection inspections for machinery and equipment installed on means of transport and (c) Conducting technical labour safety inspections of machinery

and equipment installed on means of transport and tools and equipment used in offshore oil and gas exploration, exploitation and transportation that have strict labour safety requirements; and carrying out boarding and inspection services for fishing vessels;

(23) Natural forest survey, assessment and development (including timber harvesting, hunting, trapping of rare wildlife, management of gene pools of plants, organisms and micro-organisms used in agriculture);

(24) Research or use of genes for new biological species prior to validation and evaluation by the Ministry of Agriculture and Rural Development;

(25) Provision of travel services, excluding international travel services for international tourists to Viet Nam.

[Industries in which foreign investors are allowed to invest with conditions (59)]

(1) Production and distribution of cultural products, including video products;

(2) Production, distribution and broadcasting of television programmes and song, dance, stage and film productions;

- (3) Provision of radio and television services;
- (4) Insurance; banking; securities trading and other services related to insurance, banking and securities trading;
- (5) Postal communication services;
- (6) Advertising services;
- (7) Printing services, publication distribution services;
- (8) Surveying and mapping services;
- (9) Aerial filming services;
- (10) Educational services;
- (11) Natural resources, minerals, oil and gas exploration, development and processing;
- (12) Hydropower, offshore wind and nuclear energy;
- (13) Transportation of goods and carriage of passengers by rail, air, road, waterway, sea, pipeline, etc;
- (14) Aquaculture;
- (15) Forestry and trapping;
- (16) Operates gaming and casinos;
- (17) Security services;
- (18) Construction, operation and management of river ports, seaports and airports;
- (19) Operating a real estate business;
- (20) Legal services;
- (21) Veterinary services;
- (22) Merchandising activities and other activities directly related to the sale of goods by foreign service providers in Vietnam;
- (23) Technical inspection and analysis services;
- (24) Tourism services;

(25) Health services, social services;

- (26) Sports and recreation services;
- (27) Papermaking;
- (28) Production of vehicles with more than 29 seats;
- (29) Development and operation of traditional bazaars;
- (30) Commodity exchange activities;
- (31) Domestic fragmented commodity recycling services;
- (32) Auditing, accounting, bookkeeping and tax services;
- (33) Price validation services; business valuation consultancy services for demutualisation;
- (34) Services related to agriculture, forestry and fisheries;
- (35) Production and manufacture of aircraft;
- (36) Production and manufacture of locomotives and carriages;
- (37) Manufacturing and trading of cigarettes, raw materials for cigarettes and specialised production equipment for cigarettes;
- (38) Conducting publisher activities;
- (39) New construction and repair of ships;
- (40) Waste recycling services, environmental observation services;
- (41) Trade arbitration, arbitration settlement services;
- (42) Operational logistics;
- (43) Coastal shipping;
- (44) Cultivation, production or processing of rare plants of all kinds, raising and breeding of rare wild animals and processing and handling of such plants and animals, including live animals and their products;
- (45) Production of building materials;
- (46) Construction and related technical services;
- (47) Assemble the motorbike;

(48) Services related to sports, fine arts, performing arts, fashion shows, beauty pageants, modelling shows and other leisure and entertainment activities;

(49) Air transport auxiliary services; ground technical services at airports and airfields; airline catering services; approach information supervision services, aviation meteorological services;

(50) Ship agency services; towing and barging services;

(51) Services relating to cultural heritage, copyright and related rights, photography, video, sound recording, art exhibitions, festivals and gatherings, libraries, museums;

(52) Services related to tourism promotion and publicity;

(53) Representation and agency services related to the selection, contracting and management of artistes and athletes;

(54) Family-related services;

(55) E-commerce activities;

(56) Mausoleum operations, mausoleum services and funeral services;

(57) Aircraft seeding and pesticide spraying services;

(58) Nautical Pilotage Services;

(59) Sectors in which investments are made under the Pilot Management Mechanism of the Congress, the Standing Committee of the Congress, the Government, and the Prime Minister of the Government.

5.2.4 Provisions for investment modalities

Under Viet Nam's Law on Investment, foreign investors may choose the field of investment, the form of investment, the channels of financing, the location and scale of investment, investment partners and the duration of investment project activities. Foreign investors may register to operate in one or more industries; establish enterprises in accordance with the provisions of the law; and decide independently on registered investment and business activities.

[Direct investment] Direct investment modalities include: wholly foreign-owned enterprises; the establishment of joint ventures with local investors; investment under

BOO, BOT, BTO and BT contracts; participation in the management of investment activities through the purchase of shares or financing; investment by way of mergers and acquisitions of local enterprises; and other modalities of direct investment.

[Indirect investment] Indirect investment methods include: purchasing shares, stocks, bonds and other marketable securities; investing through securities investment funds; investing through other intermediary financial institutions; and investing through the purchase and sale of shares, stocks, bonds and other marketable securities of local enterprises and individuals. Indirect investment procedures are regulated in accordance with the Securities Law and other relevant laws.

The process is governed by the provisions of relevant laws. Since September 2015, foreign investors have been allowed to hold 100 per cent of the shares of Vietnamese enterprises (the 30 per cent foreign shareholding ceiling in the banking sector remains in place).

[Regulations on the construction of development zones, export processing zones or industrial parks] The construction of industrial zones must be in line with the approved master plan for the development of industrial zones. When setting up an industrial park, the investor provides the competent authorities of the Government of Viet Nam with a written application, a decision of the provincial People's Committee on the approval of the detailed plan for the construction of the industrial zone, and an investment licence for the project to invest in the development of infrastructure in the industrial zone. The application for establishment includes a written proposal, the necessity and legal basis for the construction of the economic zone, the total amount of investment in the economic zone, the time of its establishment and the financing scheme, the EIA report, etc., in four copies, the original of which is handed over to the Management Board (MC) of the industrial zone, processing zone, economic zone or the Department of Planning and Investment (if an MC is set up in the area). After receiving the above materials and confirming their compliance, the management committee or the Department of Planning and Investment shall submit them to the provincial People's Committee within five working days, and the provincial People's Committee shall approve them in accordance with the provisions of the regulations within 10 working days after confirming their compliance.

5.2.5 Provisions for security clearances

[Foreign M&A] According to Decision No. 58/2016 approved by the Prime Minister of Vietnam on 28 December 2016, the Vietnamese government plans to complete shareholding reforms of 137 state-owned enterprises, including banks, aviation, communications, shipbuilding, automobiles, electricity, cement, transport and other important sectors, in the 2016-2020 period, encouraging foreign participation, allowing foreigners to buy shares and participate in management, and retaining only 103 wholly state-owned enterprises (excluding enterprises in agriculture and forestry, national

defence and security). Foreigners may carry out mergers and acquisitions by purchasing shares of listed enterprises, or by purchasing stakes in joint-stock enterprises.

Documents for registration of foreign-invested mergers and acquisitions include: a written application for merger and acquisition of enterprises (including information on the names, addresses and legal representatives of the merging and merged enterprises, and a brief description of the merger and acquisition activities of the enterprises), a decision of the board of directors of the merged enterprise and the owner of the enterprise on the sale of the enterprise, a merger and acquisition contract, a draft of the rules and regulations of the merged enterprise, and a letter of confirmation of the legal qualification of the foreign-invested enterprise. Submitting the above documents in duplicate, the formalities must be accompanied by a letter of introduction or a resident's identity card or passport, and the competent Vietnamese authorities will provide feedback within 15 working days after confirming that the documents are in order.

[Legal provisions on foreign mergers and acquisitions] Viet Nam has not yet introduced separate laws on the procedures and principles of foreign mergers and acquisitions and mergers, and the provisions on mergers and acquisitions and mergers are generally distributed in the laws and regulations in the following areas:

(1) Articles 88 and 89 of the Vietnamese Civil Code provide that enterprises may merge or amalgamate and their rights and obligations are transferred to the merged or amalgamated enterprise.

(2) Articles 194 and 195 of the Law on Vietnamese Enterprises provide for the merger of enterprises: one or more enterprises may be merged or consolidated into a third enterprise in accordance with the relevant procedures, and their legitimate rights and interests shall be transferred to the merged or consolidated enterprise; and in the case of a merger or consolidation.

The Competition Authority is required to report in writing any subsequent market share of 30-50 per cent; mergers and consolidations with a market share of more than 50 per cent are prohibited; and article 187 on the sale of private enterprises stipulates that: private enterprises may be sold, but the buyer enterprise is required to comply with the obligation to register the change; the seller enterprise is required to comply with all pre-sale duties and obligations; and neither the sale nor the purchase may be detrimental to workers' rights and interests.

(3) Articles 22, 23 and 24 of the Law on Investment of Viet Nam stipulate that foreign investors may make direct investments through investment projects, mergers and acquisitions.

(4) Article 29 of the Viet Nam Competition Law defines mergers and acquisitions of undertakings as forms of economic concentration, and article 30 prohibits forms of economic concentration that have, or are likely to have, a significant effect on restricting competition in the Vietnamese market.

(5) The Law on Securities of Vietnam stipulates that mergers and acquisitions of securities companies are subject to the approval of the State Securities Commission.

(6) The Central Bank of Viet Nam stipulates that mergers and acquisitions between financial institutions and organisations must be completed through negotiations between the parties and the submission of relevant information to the Central Bank for approval on the premise of protecting the interests of customers, maintaining mutual confidentiality, and transparency of information about each other.

(7) Foreign investors may inject or purchase equity in Vietnamese enterprises through the purchase of shares on the stock exchange market (up to 49 per cent) or participation in tendering and bidding, with the proportion determined by the seller in accordance with relevant national regulations on the industry; the proportion of injection or purchase of equity in the commercial and service sectors is in accordance with the relevant agreements of international conventions to which Viet Nam is a party; the proportion of equity in State-owned enterprises in Viet Nam must not exceed the foreign equity shareholding ceiling set for the specific industry. The proportion of equity

purchased in Vietnamese state-owned enterprises cannot exceed the upper limit of foreign shareholding set for the specific industry.

(8) Foreign investors are restricted to a maximum of 49 per cent shareholding in the stock exchange market, unless otherwise provided for in specific industries.

5.2.6 Provisions of the infrastructure PPP model

[Definition] PPP investment is an investment in the construction, renovation, operation, management and administration of infrastructure works and the provision of public services based on a contract between the competent state authorities and the project investor or enterprise.

[Model] Articles 27 and 28 of the Vietnamese Investment Law stipulate that foreign investors may invest through BCC and PPP contracts.

[Main regulatory documents] Provisions on Public-Private Partnership Investment Models, issued on 4 May 2018 (File No. 63/2018/NĐ-CP); Investment Law, issued on 17 June 2020; Law on Public Investment, issued on 13 June 2019; Law on Tendering, issued on 26 November 2013; Law on Construction, issued on 18 June 2014; Law on Management and Use of Public Property, issued on 21 June 2017, etc. Law; Law on Management and Use of Public Property, promulgated on 21 June 2017; etc.

[Investment areas] Transportation; power plants and power transmission; public lighting systems, drinking water supply systems, drainage systems, rubbish and sewage recycling systems; parks, car parks, cemeteries; office premises for State agencies, flats, security housing, housing for migrant workers; health care, education, training, culture and sports, tourism, science and technology, hydrometeorology, communications technology applications; trade, urban and economic zones, industrial parks, communication technology, high technology, incubation bases, basic technology, integrated support for small and medium-sized enterprises, and other infrastructure; agriculture and rural development, agricultural production and processing services, and the sale of agricultural products; and other infrastructure projects stipulated by the Prime Minister of the Government. The Government determines the investor through a bidding process, and in special cases, such as when there is only one bidder or when the project needs to be completed urgently and in a short period of time, the Government or each local government will request the direct appointment of the investor.

[Competent Government Departments and Responsibilities] The Ministry of Planning and Investment is responsible for issuing investment licences for PPP model investment projects; the Ministry of Industry and Trade, the Ministry of Transport, the Ministry of Science and Technology, the Ministry of Construction, the Ministry of Health, the Ministry of Communications and Media, and other inter-ministerial departments and ministries are responsible for the establishment of projects, submission of applications for approvals, construction and management of projects in their respective industries and sectors.

[Major foreign countries carrying out BOT, PPP] Countries carrying out BOT investment and co-operation in Vietnam mainly include Japan, South Korea, China, the United States, Malaysia and Singapore, with projects focusing on the construction of thermoelectric power plants, road transport and urban infrastructure construction.

[Progress of BOT works] Announcement No. 43/2016/TT-BCT of the Ministry of Industry and Trade of Vietnam stipulates that if the progress of BOT works is not implemented in accordance with the deadline set by the memorandum signed between the investor and the Ministry of Industry and Trade, the Ministry of Industry and Trade will

propose to the competent authorities in charge of investment to revoke the right to develop the project.

[Specific cases of PPP projects]

Case 1: On 16 January 2017, the Energy Department of the Ministry of Industry and Trade of Vietnam and Vinh Anh II Thermal Power Joint Stock Company signed an agreement for the Vinh Anh Thermal Power Plant Phase II BOT project in Hanoi. The thermal power plant, with a total investment of US\$2.2 billion, consists of two 600MW generators, with the first turbine unit to be commissioned in 2021 and the other to be put into operation a year later. The project will provide electricity for the economic development of the northern region and ensure national power security. The Energy Authority will support the investor in applying for investment licences and financing arrangements.

Case 2: On 25 March 2013, the BOT project of Yishan Thermal Power Plant in Thanh Hoa Province, Vietnam, was awarded to a consortium of Marubeni (Japan) and Kepco (South Korea). The project has a design power of 2X600,000 kW and a total project investment of US\$2.3 billion, which is guaranteed by the Vietnamese government.

Case 3: In early April 2013, the Government of Viet Nam appointed Japan's Daiichi Northern Expressway General Corporation (Nexco-Central)

As an investor, it is undertaking the project of upgrading the BOT highway between Phay Van and Hac Qiao. The construction section is 32 kilometres with a total investment of VND1.5 trillion (equivalent to about US\$72 million) and a construction period of 1 year. This is the first BOT motorway project built by a foreign company in Vietnam.

[Situation of BOT projects carried out by Chinese enterprises] Currently, Chinese enterprises have three BOT projects in Vietnam, focusing on thermal power collar.

(1) Vinh Tan Phase I coal-fired power plant BOT project. Located in Binh Thuan province, with a total investment of US\$1.75 billion, the plant has a total installed capacity of 1.2 million kilowatts and an annual power generation capacity of 8 billion kWh, and is a joint venture between three enterprises, namely China Southern Power Grid Corporation (CSPG), China Power International Corporation (CPIC), and Electricity General Corporation (EGCC), a subsidiary of the Vietnam Coal and Mining Industry Group (VCMIG), with 55 per cent of the shares of the plant owned by CSPG, 40 per cent of those owned by CPIC, and 5 per cent of those owned by VCMIG. The plant's two units were connected to the grid in 2018. The project has a 25-year concession period.



Yongxin Power Plant Phase I

(2) Hai Duong coal-fired power plant BOT project. Located in Kinmen County, Hai Duong Province, the total investment is US\$ 1,868.5 million, of which 70 per cent is financed by Chinese enterprises. The project has a total installed capacity of 1,200MW (two 600,000kW units) and is currently under construction, with the first unit entering

commercial operation in November 2020 and a 25-year concession period.

(3) Coastal Phase II coal-fired power plant BOT project. Located in Coastal District, Chaweng Province, the project is led by Janakuasa Holding Company of Malaysia, with a concession period of 25 years, and is developed by a joint venture between Huadian Engineering of China and a foreign company and constructed by Huadian Engineering in charge of EPC. The project is currently under construction.

5.3 Corporate Taxation

5.3.1 Tax systems and regimes

[Taxation system and regime] In Viet Nam, the power to legislate and collect taxes is concentrated at the centre, and tax laws need to be approved by the National Assembly before they can come into effect and be implemented. Viet Nam reformed the national tax system policy in August 1990, combining the three systems of state revenue, industrial and commercial tax, and agricultural tax, and establishing a unified state tax department. After more than 30 years of adjustment and reform, Vietnam's tax system has been gradually optimised in line with economic and social development, and a relatively perfect tax system has been established. Existing tax laws and regulations mainly include: the Law on Tax Administration promulgated by the National Assembly of Vietnam on 13 June 2019 and effective from 1 July 2020, the Decision on the Rules for the Implementation of Some Provisions of the Law on Tax Administration promulgated by the Government of Vietnam on 19 October 2020 and effective from 5 December 2020, the Law on Corporate Income Tax Law, the Agreement on Provisions on Administrative Penalties for Tax and Invoice Violations promulgated by the Government of Viet Nam on 19 October 2020, the Law on Value Added Tax (VAT), the Law on Special Sales Tax (SST), the Law on Import and Export Tax (IXT), and related regulations.

The tax administration of Viet Nam consists of two parts: the Tax Department and the Customs Department. The General Department of Taxation is responsible for the collection of domestic taxes and the General Department of Customs is responsible for the collection of customs duties. The General Department of Taxation and the General Department of Customs are the two organisations directly responsible for tax collection under the leadership of the Ministry of Finance of Vietnam. The tax system in Vietnam consists of the General Department of Taxation, provincial/municipal tax bureaus, city/district/county tax sub-bureaus and district tax sub-bureaus (directly under provincial/municipal tax bureaus). The customs system consists of the General Department of Customs, provincial/municipal customs bureaus and customs sub-bureaus. In Viet Nam, there is no distinction between State and local tax bureaus, there is no distinction between

central and local taxes, and all tax revenues are adjusted by the fiscal budget.

5.3.2 Main taxes and rates

As a member of the WTO, Vietnam adopts uniform tax standards for both domestic and foreign enterprises, with different tax rates and reduction periods for items in different fields. The main taxes in the current tax system are: corporate income tax, value-added tax (VAT), import and export tax, special sales tax, personal income tax, resource tax, agricultural land use tax, non-agricultural land use tax, environmental protection tax, property tax, stamp duty, gate tax, etc.

[Corporate income tax] The current corporate income tax rate in Viet Nam is generally 20 per cent. Enterprises in the search, exploration and development of oil, natural gas and precious and rare resources are subject to an income tax rate of 32-50 per cent. Foreign-funded enterprises meeting the relevant conditions are entitled to income tax incentives ranging from 10-17 per cent and enjoy the preferential policies of "four exemptions and nine halves" (i.e. enterprises are exempted from enterprise income tax for four years from the beginning of profitability, and halved for the following nine years) or "six exemptions and thirteen halves" (i.e. enterprises are exempted from enterprise income tax for four years from the beginning of profitability). or "six exemptions and thirteen halves". For projects with large-scale investment and high technological content, they can enjoy the preferential policy of halving the income tax for a maximum of 30 years with the approval of the Prime Minister of the Government.

[VAT] According to the Vietnamese Law on VAT and its relevant regulations, the current VAT rate in Vietnam has three levels: 0 per cent, 5 per cent and 10 per cent, and export processing enterprises are exempt from VAT on exports.

[Special sales tax] In accordance with Viet Nam's Law on Special Sales Tax and its related regulations, Viet Nam imposes special sales tax on some products, imported goods and services. For example, a special sales tax of 75 per cent is levied on tobacco products, 35 per cent or 65 per cent (65 per cent for beer) on alcohol depending on the degree of alcohol; a special sales tax of 35-150 per cent is levied on automobiles with fewer than 9 seats depending on the displacement; the tax on new-energy hybrid automobiles is 70 per cent of the tax on automobiles with the same type of displacement; and the tax on biofuel automobiles is 50 per cent of the tax on automobiles with the same type of displacement. Special sales taxes on entertainment operations such as cabarets, casinos and golf courses range from 15 to 40 per cent.

[Import and export tax] The Ministry of Finance of Vietnam updates the export tax rate and import tax rate of goods at the end of each year. Except for duty-free goods, most goods imported into Vietnam are subject to import tax. Import tax rates are divided into ordinary, preferential and concessionary rates. Preferential rates apply to imported goods originating from countries (regions) that have granted Vietnam the most favoured nation status in trade relations. Vietnam grants committed preferential rates to goods imported from WTO members. Preferential rates apply to goods imported from countries (regions) with which Vietnam has signed Free Trade Agreements (FTAs). Goods entitled to the preferential rate are required to provide a certificate of origin (C/O), otherwise the ordinary rate, i.e. preferential rate x 150 per cent, applies.

[Personal Income Tax] From 1 July 2020, the starting point of personal income tax exemption in Vietnam has been raised from a monthly income of VND9 million (about US\$384) to a monthly income of VND 11 million (about US\$473), and if a family member does not have any income, the starting point of the monthly exemption has been raised by VND 4.4 million (about US\$189) for each additional member. Families with a monthly income exceeding the exemption amount are subject to personal income tax, which has a

progressive rate ranging from 5 per cent to 35 per cent.

Non-resident foreigners are taxed only on Vietnamese-source income at a rate of 25 per cent for the first year and at the rate applicable to foreign residents for subsequent years. Residents of countries with which Viet Nam has concluded double taxation agreements are exempted from paying individual income tax if they are resident taxpayers of Viet Nam and fulfil certain conditions.

[Environmental protection tax] Viet Nam imposes environmental protection tax on some commodities (mainly petrol and coal) that generate environmental pollution at the time of use, both at the production and import stages. For example, petrol, diesel oil and lubricating oil are levied at VND 1,000-4,000 per litre or kilogram (approximately US\$0.04-0.18), coal at VND 15,000-30,000 (approximately US\$0.66-1.3) per tonne, nylon bags at VND 50,000 (approximately US\$2.2) per kilogram, and so on.

[Non-Agricultural Land Use Tax] According to Vietnam's Law on Non-Agricultural Land Use Tax and related regulations, taxpayers of the Non-Agricultural Land Use Tax are organisations and individuals who use land for non-agricultural production and business, with different tax rates:

- (1) Residential land use, including residential land used for commercial purposes, is subject to a progressive tax rate. Multi-story multi-family dwellings,

A tax rate of 0.03 per cent applies to flats and underground works sites.

Table 5-1 Progressive Tax Rate Schedule for Residential Land

tax brac ket	Taxable land area (m ²)	Tax rate (per cent)
1	Area within quota	0.03
2	Area ≤ 3 times the quota	0.07
3	Area > 3 times the quota	0.15

- (2) A tax rate of 0.03 per cent applies to non-agricultural production and operation land and non-agricultural land for commercial purposes.
- (3) A tax rate of 0.15 per cent is applied to land whose use is incompatible or not in accordance with the regulations.
- (4) A tax rate of 0.03 per cent applies to land for phased investment projects registered by investors and approved by the competent State authorities;
- (5) A tax rate of 0.2 per cent is applied to encroached or misappropriated land.

[Door licence fee] i.e. business licence fee. Enterprises are exempted from paying the business licence fee for the first year of production and operation (from 1 January to 31 December), and thereafter they pay the corresponding fee every year according to the amount of registered capital. According to the Agreement on Provisions on Licence Fees issued by the Government of Vietnam on 4 October 2016 and the Agreement on Supplementary Amendments to Some Provisions of the said Agreement on 24 February 2020, for enterprises in the business of production and operation of goods and provision of services, those with registered capital of more than VND10 billion (approx. US\$440,000) are required to pay VND3 million (approx. US\$132)/year, and those with VND10 billion VND 2 million for those with less than VND 10 billion (approximately US\$ 88)/year, and representative offices, offices, institutions and other economic organisations pay VND 1 million (approximately US\$ 44)/year.

For individuals and family business operators, the business licence fee is paid according to the amount of annual business income. Those with an annual business income of VND100-300 million (approximately US\$4,356-13,158) pay VND300,000 (approximately US\$13) per year; those with an annual income of VND300-500 million (approximately US\$13,158-21,929) pay VND500,000 (approximately US\$22) per year; and those with an annual income of over 500 million pay VND1 million (approximately US\$44) per year. (approximately US\$22) per year, and VND1 million (approximately US\$44) per year for those with an annual income of VND500 million or more.

5.4 Special economic zone provisions

5.4.1 Special Economic Zone Regulations

Since 1986, the resolutions of successive Party Congresses of Viet Nam have formed a consistent proposition for the development of the system of economic parks (including industrial zones, export processing zones, coastal and port economic zones), the establishment and improvement of mechanisms, policies and management models of economic parks.

It has roughly gone through four stages, each with different policies and regulations. The introduction of the amendment to the Investment Law on 1 July 2015 marked the transition from stage 3 to stage 4 in the development of economic zones. The state has implemented a hierarchical, authorised management mechanism for industrial zones, export processing zones and economic zones. Specifically, the Government has authorised central ministries, departments, provincial people's committees and park management committees to carry out unified management of industrial zones, export processing zones and economic zones across the country in accordance with their respective competencies and division of tasks, and to formulate development plans, promulgate policies and regulations, and provide guidance for industrial zones, export processing zones and economic zones.

The powers and responsibilities of the Prime Minister of the Government are as follows: (1) guiding ministries, departments and local governments in formulating laws, regulations and policies for the implementation of industrial zones, export processing zones and economic zones; (2) approving and adjusting the master plans for industrial zones, export processing zones and economic zones; (3) deciding on the establishment and expansion of port economic zones and approving the comprehensive development plan for port economic zones; and (4) permitting the expansion or compression of the approved industrial zones, economic zone functional areas and change land use; (5) directing the handling and resolution of various issues that exceed its authority.

Ministries, departments and provincial people's committees, within their respective functions, tasks and competencies, perform their duties with respect to industrial zones, export processing zones and economic zones, and direct or authorise the management committees of the zones to realise the functions of State management in accordance with their competencies, in accordance with the provisions of the law. The management committees of industrial zones and economic zones perform the functions of direct management of the zones and provide investors with public administrative services and other related auxiliary services. The management committees directly manage investments and parks in some areas under the guidance

and authority of ministries and agencies of industry and trade, construction, labour, environment, and so on. In addition, under the authority of the Provincial People's Committee, the Management Board of the Economic Zone also decides on the use of State budget funds for investment in projects of categories B and C, as well as on the delivery of land in accordance with the provisions of the Land Law.

[Special Economic-Administrative Zones] In December 2016, the Vietnamese government approved a plan to build three Special Economic-Administrative Zones (SEAZs), to be located in Vung Tum in the northern province of Quang Ninh, in the central province of Khanh Hoa, in the northern province of Bac Van Phong, and in the southern province of Cuuong Giang in the southern province of Phu Quoc to build a special economic-administrative zone, as an early pilot of a more open-focused economic and administrative policy. In June 2018, the government of Viet Nam submitted a (draft) Law on Special Economic-Administrative Zones (SEZA) to the National Assembly. When it was discussed for adoption, it was strongly opposed by some National Assembly deputies and triggered social unrest. Under pressure from the opposition, the National Assembly has suspended the adoption of the Law.

[Industrial zones] Foreign enterprises in industrial zones shall pay taxes as follows:

(1) import and export tax

① Both production and service enterprises are exempted from paying export tax.

② encourage investment in productive enterprises to import a variety of machinery and equipment constituting the fixed assets of the enterprise, special transport vehicles are exempt from import duties; for the production of export commodities, materials, raw materials, spare parts and other raw materials can be temporarily exempt from payment of import duties, the enterprise

When the finished product is exported, the import tax is then paid in accordance with the Import and Export Tax Law.

(iii) Service enterprises are taxed under the Import Tax Act.

(2) corporate income tax

Starting from 2009, the enterprise income tax incentives are divided according to the region to which the industrial zones belong, as detailed in 5.3.2.

(3) Land concessions

According to Government Decree No. 46/2014/NĐ-CP issued on 15 May 2014, infrastructure construction projects in industrial zones are exempted from land rent for 15 years, and land area for public facilities is fully exempted from land rent.

(4) credit preference

Infrastructure construction projects in industrial zones and export processing zones, as per Government Decree No. 75/2011/NĐ-CP dated 30 August 2011, are eligible for State investment credit and export credit support.

(5) Supportive policies for infrastructure development

According to Government Decree No. 43/2009/QĐ-TTg dated 19 March 2009, funds from the State budget can support the following: compensation for land acquisition and relocation for those whose land is expropriated in industrial zones; for industrial zones in socio-economically challenged areas, the Government supports the construction of wastewater and rubbish treatment works, as well as the construction of ancillary infrastructural facilities and public services in the industrial zones.

[Export Processing Zone] Foreign-funded enterprises in the Export Processing Zone shall pay taxes in accordance with the following provisions:

(1) import and export tax

① Both production and service enterprises are exempted from export tax;

② productive enterprises and service enterprises to import a variety of machinery and equipment, special transport vehicles and various types of materials that constitute the fixed assets of the enterprise, raw materials are exempt from import duties.

(2) corporate income tax

Equal preferential treatment with industrial zones.

At present, Chinese enterprises have invested in the construction of a total of five industrial parks in Vietnam, namely the Suzaka Export Processing Zone (about 600 ha), Long Jiang Industrial Zone (600 ha), Shenzhen-Hai Phong Economic and Trade Co-operation Zone (i.e., An Duong Industrial Zone, 800 ha), Nhan Hoi Industrial Zone B (450 ha), and Hai Ha Industrial Zone (3,300 ha), and all of them have achieved different progress. Among them, the Suzaka Export Plus

The industrial zone has implemented three phases of projects with good results, becoming a model for the construction of industrial zones in Vietnam. Long Jiang Industrial Zone is an overseas economic and trade co-operation zone confirmed by the Ministry of Commerce and the Ministry of Finance of China, which is conducive to promoting Chinese enterprises to go out in clusters and expanding the scale of investment and co-operation with Vietnam. Haihe Industrial Zone is located on the border between Vietnam and China, and its core industry is textile, with a high starting point and large-scale construction.



Long Jiang Industrial Park,
Tien Giang Province



Sen Viet Industrial Park,
Hai Phong City

5.4.2 Introduction to Special Economic Zones

In order to achieve large-scale industrial and commercial agglomeration, Viet Nam

has set up a number of economic development zones, including industrial zones (including export processing zones) and coastal economic zones, with different policies to encourage development. By the end of 2021, 397 industrial parks had been established across the country, of which 351 were located outside economic zones, 35 within coastal economic zones, and 8 in port economies.

The district covers a total area of about 123,000 hectares.

By the end of 2021, a total of 10,975 foreign direct investment projects had been set up in the country's industrial zones and coastal economic zones, with a contract value of US\$230.1 billion, and 69 per cent of the contracted amount was in place.

[Port economic zones] Viet Nam encourages the construction of port economic zones in border areas with the aim of promoting local economic and social development and maintaining border stability and security. The central and local governments provide support in terms of land, taxes and capital in the construction of port economic zones, which were established on a pilot basis in 1996 in Mang Street City, Quang Ninh Province, followed by Dong Dang City, Lang Son Province, and Lao Cai City, Lao Cai Province, respectively. To date, 21 of Viet Nam's 25 border provinces (bordering China, Laos and Cambodia, respectively) have established port economic zones.

口岸经济区享受以下优惠政策：政府优先考虑利用外国政府和国际组织提供的官方发展援助促进口岸经济区基础设施建设，同时鼓励外商以BOT、BT和BTO等方式参与基础设施建设；在口岸经济区投资的项目，可享受所得税4免9减半、之后连续10年减10%的优惠；在口岸经济区工作 Foreigners working in the port economic zones are exempted from 50 per cent of personal income tax; citizens of bordering countries holding private passports (for which visas should be applied in accordance with the regulations) are allowed to enter the port economic zones without visas and to stay for 15 days; trucks from bordering countries are allowed to enter the port economic zones and to hand over their goods within the zones.

The relevant regulations and incentives are listed below:

(1) import tariff

According to Government Decree No. 72/2013/QĐ-TTg, projects invested in port economic zones are exempted from import tax on fixed assets, and raw materials, materials and spare parts for production that cannot be produced domestically and serve the project are exempted from import tax for the first five years.

(2) Enterprise Income Tax Benefits

According to Government Decree No. 218/2013/NĐ-CP, enterprises investing in

projects within the coastal and port economic zones are applied 10 per cent income tax rate for 15 years; tax exemption for the first four years and a 50 per cent reduction for the next nine years.

(3) Individual Income Tax Benefits

In accordance with Government Decision No. 29/2008/NĐ-CP, Vietnamese and foreigners working in the coastal and port economic zones are given a 50 per cent reduction in the payment of personal income tax.

(4) Support for infrastructure development in economic zones

In accordance with Government Decree No. 126/2009/QĐ-TTg, funds from the State budget are provided to support: the provision of financial assistance to economic

The zone provides compensation for land expropriation and relocation of expropriated residents; supports the construction of centralised sewage and rubbish treatment projects in the functional zones; and invests in the construction of supporting infrastructure and public service facilities. In addition, the economic zones allow the raising of funds for the construction of important infrastructure through the issuance of engineering bonds, the use of official development assistance (ODA) and concessional loans, the adoption of the PPP model, the use of land funds, and advances by investors.

[Bio-technology zones] There are currently two bio-technology zones in Vietnam, located in Cam My District, Dong Nai Province, and Ci Lien District, Hanoi City, with a total area of more than 400 hectares, which have the functions of researching, cultivating, developing, transferring and applying bio-technology, as well as training human resources in the field of bio-technology, cultivating bio-technology enterprises, producing and operating bio-technology products and providing bio-technology services. high-tech services, etc.

[High-tech zones] There are four high-tech zones in Vietnam, which mainly focus on absorbing foreign high-tech investment projects, and the specific preferential policies are listed in 5.4.1. The contact information of each management committee is as follows:

(1) Address of Hanoi High-

Tech Zone Management

Committee: 97A, Tran Quoc

Quan Road, Hanoi

Tel: 0084-24-38222252

Fax: 0084-24-39425458

(2) Da Nang Hi-Tech Zone Management Committee

Address: 6/F, Building 228, September 2

Road, Hai Chau District, Da Nang City Tel:

0084-511-3626704

Fax: 0084-511-3626705

(3) Ho Chi Minh City High-Tech Zone Management Committee

Address: D1 Road, High-Tech Zone, Tan

Phuoc Phong, District 9, Ho Chi Minh City

Tel: 0084-28-37360293

Fax: 0084-28-37360292

(4) Quang Trung Software

Technology Park, Ho Chi Minh

City Address: Tan Chhong

Hiep Ward, District 12, Ho Chi

Minh City Tel: 0084-28-

37158999

Fax: 0084-28-37155985

[Bonded zones] are set up in the economic zones of the ports and have separate customs control stations and are under closed management. The following types of business activities can be carried out in bonded zones: import/export, temporary import/re-export, transit of goods in transit, bonded warehouses, duty-free shops, exhibitions and trade fairs, product demonstrations, production and processing of imported and exported goods, establishment of representative offices of domestic and foreign companies, and port markets.

5.5 Labour and employment legislation

5.5.1 Core labour law

Viet Nam amended the Labour Code in 2019 and implemented it from 1 January 2021 onwards. The Labour Code regulates labour standards, the rights, obligations and responsibilities of workers and employers in labour relations and other relations directly related to labour relations, representative organisations of workers at the grassroots level, representative organisations of employers, and the State's management of labour. The core content includes:

[Scope of application] The new Labour Code of Viet Nam applies to workers, apprentices, trainees and workers without labour relations; employers; foreigners working in Viet Nam; and other agencies, organisations and individuals directly related to labour relations. In order to better protect the rights and interests of workers, the new Labour Code of Viet Nam extends the scope of application to "workers without labour relations", i.e. workers working on the basis of non-employment relations.

[Labour contract] A labour contract is an agreement between a worker and an employer regarding paid work, wages, working conditions, and the rights and obligations of each party in the labour relationship. The content of the contract between the two parties, including work and wages, and the management, coordination and supervision of one party, is considered a labour contract. The employer and the worker must sign a written employment contract (if the term of employment is less than one month, the employment contract may be concluded orally). An electronic labour

contract concluded in the form of a data message in accordance with the law on electronic transactions is as valid as a written labour contract. Employment contracts are limited to two types: fixed-term and open-term. The content of the contract shall include: type of work and place of work, duration of the contract, salary and method of payment, promotion and pay increase system, working hours and rest time, social security, medical insurance and unemployment insurance.

The worker and the employer may specify the probationary period in the employment contract or may conclude a separate probationary contract. A job may only be tried out once. The probationary period shall not exceed 180 days for business management positions, 60 days for senior and above professional and technical jobs, 30 days for intermediate professional and technical positions, skilled workers and business personnel, and 6 days for other jobs. The probationary salary shall be not less than 85 per cent of the salary of the official hiring.

[Salaries] The minimum wage system is implemented on a regional basis, and the Government determines and publishes the minimum wages on the basis of the recommendations of the National Salaries Commission.

Regional minimum wage.

[Insurance] Employers and workers are required to participate in compulsory social insurance, medical insurance and unemployment insurance. For workers who are not covered by insurance, employers are required to pay their wages at a rate equivalent to the amount of the three types of insurance.

[Termination of contract] When an employer unilaterally terminates a labour contract, the employer shall notify the worker in advance of the termination, with the following notification requirements: for open-ended contracts, at least 45 days in advance; for contracts of 12 to 36 months, at least 30 days in advance; and for contracts of a duration of less than 12 months, at least 3 days in advance. When dismissing a worker, the employer is required to pay compensation in the form of half a month's salary and bonus per year. In addition, the worker has the right to unilaterally terminate the contract, also with prior notification to the employer, at the same time as above.

5.5.2 Provisions for foreigners working locally

According to the latest Labour Law of Vietnam, foreigners working in Vietnam are required to meet the following conditions: over 18 years of age with full civil capacity; professional, technical level and work experience, physical condition in accordance with the regulations of the Minister of Health; not a person who is under execution of a sentence or has not expunged his/her criminal record, or who is being held criminally liable in accordance with the provisions of the laws of Vietnam or of a foreign country; and a labour permit issued by the competent authorities of Vietnam (except in cases where a labour certificate is not required). Labour permits (except for cases where labour permits are not required).

According to the Regulation of the Government of Viet Nam on the Management of Foreigners Working in Viet Nam, which came into effect on 15 February 2021 (152/2020/NĐ-CP), employers (except contractors) shall determine the status of each job for which foreign workers are to be used and report to the Ministry of Labour, Invalids, Soldiers and Social Affairs (MoLISA) or the People's Committee of the province or municipality directly under the Central Government (i.e. Provincial People's Committee)

in which the foreign workers are to work at least 30 days prior to the proposed employment of foreign workers. In case of changes in the demand for foreign workers in the course of employment, the employer must report at least 30 days in advance. The Ministry of Labour, Wounded Warriors and Social Affairs or the provincial People's Committee will respond in writing within 10 working days of the receipt of the report, stating whether or not approval has been granted.

Foreigners are required to obtain a labour permit to work in Viet Nam, which is generally granted for a period not exceeding two years. Labour permits are not required for foreign workers who are: owners or capitalists of limited liability companies; chairpersons or board members of joint stock companies; general representatives, project managers or principals of international organisations or foreign non-governmental organisations (NGOs) in Viet Nam; those who enter Viet Nam for a period of less than 3 months for the purpose of promoting business; those who enter Viet Nam for a period of less than 3 months to deal with problems that affect or may affect production and operation; foreigners who have obtained a professional licence in Viet Nam under the Law on Lawyers. Accidents, technical problems or complex problems affecting or likely to affect production and operation that cannot be handled; foreign lawyers licensed to practise in Vietnam under the Law on Lawyers; cases stipulated in international treaties concluded by Vietnam as a member state; foreigners married to Vietnamese and living in Vietnam; other cases stipulated by the Government.

A foreigner's labour permit may be reapplied for, renewed or revoked as appropriate. The conditions for renewal include:

The labour permit is valid for at least five more days, but not more than 45 days; the use of foreign workers requires the approval of the competent authorities; and there are documents proving that the foreign worker continues to work for the employer.

5.6 Regulations for foreign enterprises to acquire land/forest land in Vietnam

5.6.1 Main elements of the land law

The current Land Law of Viet Nam was promulgated on 29 November 2013. The Law stipulates that land ownership belongs to the State and does not recognise private ownership of land, but collectives and individuals may have the right to use State-owned land. The State manages land in a unified manner and formulates regulations on land use, stipulating the rights and obligations of land users. The duration of land use is divided into two cases: long-term stable use and limited-term use. In the case of land with a fixed term of use, the term of use is divided into 5, 20, 50, 70 and 90 years.

The basic rights of land users are: to obtain proof of their land use rights; to enjoy the fruits of their labour and investment in the land; to enjoy the benefits brought about by the State's measures for the protection and improvement of agricultural land; to receive guidance and assistance from the State in the improvement and improvement of agricultural land to increase the strength of the land; to receive protection from the State in the event of infringement of their lawful right to use the land; to file complaints about infringement of their lawful rights of use; to receive compensation for any infringement of their lawful right to use the land; and to have the right to choose the form of land allocation or lease. They have the right to compensation in the event of land transfer, assignment, leasing, re-leasing, inheritance, gift, mortgage, guarantee, investment and repossession of land by the State, and the right to choose the form of land allocation and lease.

The right of citizens and family households to use land is an important property right that can be transferred in the same way as other property rights, such as exchange, transfer, mortgage, lease and inheritance. The transfer of land use rights must be carried out in accordance with the relevant procedures before the competent State authorities. The transfer of land use rights is mainly carried out by means of

exchange, sale, lease or mortgage, and is subject to the payment of a tax on the transfer of land use rights.

5.6.2 Provisions for the acquisition of land by foreign-owned enterprises

The Land Law of Viet Nam provides that foreign investors cannot purchase land in Viet Nam, but may lease land and obtain land use rights, generally for a period of 50 years. Extensions may be applied for in special circumstances, but the maximum period is 70 years.

When a foreign investor needs to lease land for investment, he or she may contact the land administration department of the project location to go through land handover and lease procedures. Land handover and lease procedures are handled in accordance with the relevant provisions of the Land Law. If the investor leases the land, the local government department may assist in land acquisition and demolition, but the investor shall be responsible for the compensation costs. After an investor obtains the right to use land, if the project is not implemented within the prescribed period or if the land use is not in conformity with the approved content, the State has the right to take back the land and revoke its investment licence.

5.7 Requirements for foreign companies to participate in local stock exchanges

On 26 June 2015, the Government of Vietnam issued Decision No. 60/2015/ND-CP to allow foreign investors to purchase shares of Vietnamese listed companies and government and corporate bonds belonging to fields and industries in which the law does not restrict the proportion of foreign shareholding. On 1 July 2016, the Government of Vietnam issued Decision No. 86/2016/ND-CP stipulating the conditions to be fulfilled for foreign institutions to hold a listed company in Vietnam 51 per cent and above (including the acquisition of equity subject to the approval of the general meeting of shareholders and the provision of financial statements for the most recent 1 year in compliance with international accounting standards) as well as the procedures and documentation requirements for the establishment of a branch of a foreign securities company in Vietnam, etc. On 6 May 2017, the Vietnamese government issued Decision 71/2017/ND-CP, which stipulates that the management of the listed company must have at least one-third of the executives are independent members. In the event that a listed enterprise is delisted, it is still required to ensure that one-fifth of the board seats in the management are independent members.

According to Vietnam's WTO accession commitments and the relevant provisions of the China-ASEAN FTA, Chinese securities enterprises may set up offices, wholly-owned securities service enterprises or branches in Vietnam, which may provide the following services: trading on their own or on behalf of their clients in the exchange market, open market or other venues; participating in the issuance of various types of securities, including relevant services provided as an agent for the underwriting or disposal of securities services; may carry out settlement and clearing of securities, financial derivatives and other related products; may provide and transmit financial information, financial data and software provided by other securities service providers; and may provide other ancillary services relating to securities. However, according to Decree 60/2015/ND-CP, a foreign investor may hold 100 per cent of the shares of a securities trading company if the investor meets the following conditions: the investor has at least two years of experience in the banking, securities, insurance and other related industries prior to the establishment of the new company, purchase of shares, or

injection of capital into the securities trading company; the investor's home country has established specialised management and supervisory agencies in the banking, securities, and insurance sectors. The investor's home country has signed a multi-bilateral cooperation agreement with Vietnam on information exchange, management cooperation, inspection and supervision of securities activities and the securities market; and is in compliance with Decree 58/2012/ND-CP and other relevant regulations. On 26 November 2019, the Vietnamese Government introduced a new Securities Law which came into effect on 1 January 2021.

According to the Agreement No. 86/2016/ND-CP issued by the Government of Vietnam on 1 July 2016, the conditions for applying for the establishment of a securities company and business licence are as follows:

(1) With regard to the conditions for office location, relevant hardware facilities and equipment: first, the office location meets the needs for carrying out securities business activities; second, there are sufficient hardware facilities, office equipment, computer systems and service software for analysing investment information, analysing and managing risks, preserving documents and materials, and also security equipment in accordance with the requirements of the Ministry of Finance of Viet Nam.

(2) Conditions on capital: The capital at the time of the establishment of the company meets at least the legal criteria for capital as stipulated in Article 71, points 1 and 2 of Decision No. 58/2012/ND-CP.

(3) Conditions regarding personnel: Provide a company staffing plan with at least three appropriately qualified personnel for each business that you are applying to set up and operate.

(4) (c) Conditions on shareholders and financing members: The structure of shareholders and financing members meets the relevant provisions of points 5, 6 and 7 of Article 71 of Decision 58/2012/ND-CP, and the relevant provisions of points 21 and 24 of Article 1 of Decision 60/2015/ND-CP for foreign investors.

Vietnam's securities market is open to foreign investors, who may hold securities companies (Vietnam Investment Securities Joint Stock Company, with Chinese ownership of more than 85 per cent, and Vietnam Construction Securities Joint Stock Company, with Chinese ownership of more than 64 per cent), and foreigners may open securities accounts in Vietnam and indirect investment accounts in banks for depositing securities trading margins. However, listed companies in the banking and petroleum sectors in Viet Nam have certain restrictions on the percentage of shares held by foreigners.

5.8 Environmental protection regulations

5.8.1 environmental authority

The Government of Viet Nam has four levels of environmental protection authorities from the central to local levels, including the Ministry of Resources and Environment, the Departments of Resources and Environment of provinces and municipalities directly under the central government, district resources and environment divisions, and specialised cadres for environmental protection at commune level. The Ministry of Resources and Environment is mainly responsible for the management of land, water resources, geological and mineral resources, environment, hydrometeorology, climate change, mapping and surveying, as well as the environmental protection and comprehensive management of marine and island resources throughout the country. It has 21 departments and bureaux, including the General Department of Land Management, the General Department of Geology and Minerals of Viet Nam, the General Department of Maritime and Island Affairs of Viet Nam, the General Department of

Environment, the General Department of Hydro-meteorology, and 10 business units, including the National Centre for Water Resources Planning and Surveying, the Academy of Geology and Mineral Science, the Academy of Surveying and Mapping, the Academy of Hydro-meteorology and Climate Change, as well as three enterprises under the direct control of the General Corporation of Resource and Environment, and the Southern Resource and Environment Company.

Website: www.monre.gov.vn

Tel: 0084-24-37956868 Fax:

0084-24-37732732

5.8.2 Major environmental laws and regulations

The current basic environmental protection legislation in Viet Nam is the Law on Environmental Protection (LEP), which has been in force since 1 January 2015. On 17 November 2020, the National Assembly of Viet Nam deliberated on and adopted the new LEP, which will be implemented from 1 January 2022. The new LEP will be implemented from 1 January 2022 onwards, and the new LEP will be implemented from 1 January 2022 onwards. In addition, relevant legal documents include implementing regulations on the Law, decisions of the Prime Minister of the Government concerned, as well as decisions, circulars and joint circulars of Vietnam's resource and environment and other relevant authorities. For example, the Decision on Environmental Protection Planning, Strategic Environment

(18/2015/NĐ-CP) and the Decision on the Provisions of the Regulations on the Implementation of Some Provisions of the Law on Environmental Protection (19/2015/NĐ-CP), the Decision on the Provisions on Penalties for Administrative Violations in the Field of Environmental Protection (155/2016/NĐ-CP), which came into force on 1 February 2017, the Decision on the Provisions on the Penalties for Administrative Violations in the Field of Environmental Protection (136/2018/NĐ-CP) Agreement on amending some provisions of the Agreement on conditions for investment and business in the field of resources and environment (136/2018/NĐ), which was enacted and implemented on 5 October 2018

-CP).The Decision on Supplementary Amendments to Some Provisions of the Guidelines, Rules and Regulations on the Implementation of the Law on Environmental Protection (40/2019/N Đ-CP), which came into force on 1 July 2019.On 24 May 2021, the Government of Viet Nam issued Decision No. 55 (55/2021/N Đ-CP) amending some provisions of the Decision on the Provisions on Penalties for Administrative Violations in the Field of Environmental Protection On 24 May 2021, the Government issued Decree 55 (55/2021/N Đ-CP) amending some articles of the Decree on Provisions on Penalties for Administrative Violations in the Field of Environmental Protection.

The relevant legal documents can be consulted on the website:

<http://vanban.chinhphu.vn/portal/page/portal/chinhphu/hethongvanban>

5.8.3 Basic points of environmental laws and regulations

The current Law on Environmental Protection of Viet Nam encourages the protection, rational use and conservation of natural resources, and strictly prohibits the destruction and illegal exploitation of natural resources; the exploitation of biological resources by destructive tools and methods; the transport, burial of toxic, radioactive, rubbish and other harmful substances not in accordance with environmental protection technical protocols; and the discharge of rubbish, toxic, radioactive and other harmful substances that have not been processed to the required standards; It is strictly prohibited to discharge toxic smoke, dust and gas into the air; to import or transport rubbish in transit; to import unquarantined animals and plants; and to import machinery and equipment that do not meet environmental protection standards.

On 17 November 2020, the National Assembly of Viet Nam reviewed and adopted a new Law on Environmental Protection for implementation from 1 January 2022 onwards. The new Environmental Protection Law added many new contents, such as: expanding the scope of application, including residential communities as the main body of environmental protection work for the first time, and proposing to give full play to the people's supervisory role; and adding environmental protection indexes to categorise investment projects, including the scale, capacity, type of production, operation and service of the project, area of land and water surface, area of sea use, scale of exploitation of natural resources, and environmentally sensitive factors. And accordingly, investment projects are classified into four categories: projects with a high risk of environmental impact (Category I), projects that may affect the environment (Category II), projects with a low risk of environmental impact (Category III) and projects with no environmental impact (Category IV). The Government has adopted appropriate regulatory measures for different types of investment projects, such as requiring preliminary environmental impact assessments for Category I projects; and regulating for the first time the provision of environmental protection permits, requiring the first three categories of investment projects to obtain environmental protection permits, and so on.

The Vietnamese government is paying increasing attention to environmental protection, and its domestic projects are subject to stringent environmental verification before commencement, with environmental protection authorities regularly inspecting the environmental performance of enterprises, and those that fail to meet the standards are required to immediately stop work and receive penalties. All production enterprises are required to install pollution control and treatment equipment to ensure compliance with relevant environmental standards. According to the relevant regulations of the Vietnamese Government on administrative penalties for environmental protection (Decision No. 155/2016/ND-CP), individual environmental violations are most

High will be fined VND1 billion (about \$44,000) and agencies and organisations will be fined up to VND2 billion (about \$88,000). Individuals violating environmental regulations in industrial zones, export processing zones, trade zones and trade towns will be fined between VND5 million and VND500 million (about US\$220-2,220). Individuals violating emissions, especially toxic pollutants, will be fined between VND300,000 and VND1 billion; individuals violating marine environmental protection regulations will be fined between VND250 million and VND1 billion (about US\$11,000-\$44,000). If the above acts are committed by institutions or organisations, the fines are twice as much as the fines for individuals. Protocol 55 amending and supplementing some articles of the above document, effective from July 10, 2021 (55/2021/NĐ-CP), expanding the targets of penalties and the scope of offences that are environmental violations, and increasing the penalties for environmental violations.

On 24 May 2021, the Government of Vietnam issued Decision No. 55 (55/2021/NĐ-CP) amending some articles of the above document and implementing them from 10 July 2021 onwards. The new document expands the targets of penalties and the scope of offences falling under environmental protection, and increases the penalties for environmental protection violations.

Vietnam imposes environmental protection fees on some industries. According to Decision No. 12 on Environmental Protection Fee for Mineral Resources Development (12/2016/ND-CP) issued by the Government of Vietnam in February 2016, the environmental protection fee for crude oil is charged at a range of 100,000 VND/tonne; the fee for natural gas and gas is charged at a range of 50 VND/cubic metre, and the fee for natural gas in the process of developing crude oil (natural gas) is charged at a range of 35 VND/cubic metre. The environmental protection fee for oil and natural gas and gas development is owned by the State Treasury and 100 per cent is paid to the Central Government; 100 per cent of the environmental protection fee for the development of mineral resources (except for crude oil, natural gas and gas) is owned by the local treasury to support the protection of and investment in the environment.

Vietnamese law requires all enterprises engaged in business activities in Vietnam to comply with Vietnam's national standards on environmental protection (TCVN) and

related technical specifications (QCVN). The standards are published by relevant organisations in the form of documents and are adopted voluntarily, while the technical norms are published by state functionaries in the form of documents and are mandatory.

Viet Nam's national standard system on environmental protection mainly consists of environmental standards for the quality of the surrounding environment and the discharge of waste materials. Environmental standards for the quality of the surrounding environment include: environmental standards for land for various uses; environmental standards for surface and groundwater for various uses; environmental standards for coastal waters serving aquaculture and recreational programmes; air standards for urban and rural residential areas; and environmental standards for noise in residential areas. Environmental standards for the discharge of waste materials include: environmental standards for industrial and agricultural production wastewater discharge, industrial gases and stationary emissions, and toxic substance discharge.

Viet Nam's system of technical norms on environmental protection mainly includes technical norms on wastewater discharge (21), exhaust gas and noise (8), hazardous sludge (soil) pollution degree (6), water sources and domestic water (6), etc.

5.8.4 Environmental Impact Assessment Regulations

[Organisations responsible for environmental assessment] For national or inter-provincial investment and engineering projects, the members of the environmental impact assessment committee will consist of representatives of the project approval department, relevant government ministries and commissions, the provincial government concerned and experts in the relevant industries; for provincial investment and engineering projects, the members of the environmental impact assessment committee will consist of representatives of the government and environmental protection department of the province or municipality directly under the central government, as well as experts in the relevant industries. The results of the environmental impact assessment will be used as one of the bases for project approval.

The Ministry of Resources and Environment of Vietnam is responsible for organising environmental impact assessment of projects approved by the National Assembly, the Government and the Prime Minister of the Government; relevant government ministries are responsible for organising environmental impact assessment of projects approved by their own departments; and provincial governments are responsible for environmental impact assessment of projects approved by their own provinces.

[Investment or engineering projects requiring environmental reports] Projects approved by the National Assembly, the Government and the Prime Minister of the Government; projects using part of the land of nature reserves, national parks, historical and cultural sites and tourist resorts; construction, building materials production, transport, electronics, energy and radioactivity, water conservancy and forest planting and development, mineral exploration, development and processing, hydrocarbons, rubbish disposal, machinery and metallurgy, and food production and processing, among other projects; Projects that have the potential to adversely affect inland river basins, coastal areas and ecological reserves; projects for the construction of industrial zones, economic zones, high-tech zones and export processing zones; projects for the construction of new metropolitan areas and residential agglomerations; projects for the large-scale development and utilisation of groundwater and natural

resources; and projects that have a large potential for adverse effects on the environment.

[Main contents of the environmental report] Setting out the specific construction details of the project, general evaluation of the environmental conditions of the project site, possible impacts on the environment after the completion of the project and specific response programmes, commitment to take environmental protection measures during the construction and operation of the project, and the opinions of the people's committees of the local commune level and the representatives of the residents. According to Agreement No. 40 of 2019 of the Government of Vietnam (40/2019/NĐ-CP), for projects to expand the capacity, expand the capacity or change the process of existing factories, industrial parks, the EIA report must add the situation of the current environmental protection measures and the overall assessment of the environmental impact of the project to expand the capacity, expand the capacity or change the process; for investment and construction of projects in industrial parks and industrial production projects that may cause environmental pollution, the EIA report must contain an emergency disposal plan for preventing and For investment projects in industrial parks and industrial production projects that may cause environmental pollution, the EIA report must include an emergency response plan for the prevention and disposal of accidents involving the leakage of waste gas and waste water; and investment construction projects with waste treatment facilities must include the basic design plan of the waste treatment facility, the prevention and response plan for environmental protection accidents, and the environmental management and monitoring plan for the construction process of the project.

[Approval time for EIA reports] For projects approved by the Ministry of Resources and Environment, the approval time for EIA reports shall not exceed 45 days; for other projects, the approval time for EIA reports shall not exceed 30 days.

5.9 Provisions against commercial bribery

According to the relevant laws and regulations of Viet Nam, passive bribery is one of the acts of corruption that endangers the society and interferes with the normal operation of agencies and institutions, and it is an offence in office, which is subject to criminal liability in accordance with the law. Article 354 of the current Penal Code of Viet Nam stipulates the act of using the authority of one's position to directly or indirectly receive or will receive an advantage for oneself or for another person or other organisation, and to do or not to do something in order to make a profit at the request of the bribe giver. The penalty shall be 2 to 7 years' imprisonment if the amount of the bribe is between VND2 million and VND100 million (approximately US\$88 to US\$4,400), and the penalty shall be 7 to 15 years' imprisonment if there is organised crime, abuse of authority, the amount of the bribe is between VND100 million and VND500 million (approximately US\$4,400 to US\$22,000), or the equivalent value of the property or other material benefits, or if the value of the property damage caused is between VND1 billion and VND3 billion (approximately US\$44,000 to US\$130,000), etc. shall be sentenced to 7 to 15 years' imprisonment; those who accept bribes in the amount of VND500 million to VND1 billion (approximately US\$22,000 to US\$44,000) or the equivalent value of property or other material benefits, or cause property losses worth VND3 billion to VND5 billion (US\$130,000 to US\$220,000) shall be sentenced to 15 to 20 years' imprisonment; those who accept bribes in the amount of more than VND1 billion (approximately US\$44,000) or the equivalent value of property or other material benefits, or causing property damage worth more than VND5 billion, is punishable by 20 years' imprisonment, life imprisonment or the death penalty. In addition, offenders are banned from holding certain positions for one to five years and may be fined between VND30 million and VND100 million (approximately US\$1,300 to US\$4,400) and have some or all of their assets confiscated. Bribe-taking by personnel of non-State-owned enterprises and institutions is similarly dealt with.

According to the provisions of the Vietnamese Anti-Corruption Law, any person with corrupt behaviour (including retired, separated, transferred persons), regardless of his/her position or post, will be severely punished. Relevant persons will be subject to disciplinary, administrative or criminal penalties and the recovery, return or confiscation of illegal gains in accordance with the law.

5.10 Provisions for Foreign Enterprises Contracting Local Works

5.10.1 licensing scheme

In accordance with the Law on Construction, which has been implemented in Vietnam since 1 January 2015 and the Law on Supplementary Amendments to Some Provisions of the Law on Construction issued in June 2020, the Agreement on Detailed Provisions on Management of Some Contents of Investment Construction Projects issued by the Government of Vietnam on 3 March 2021 (No. 15/2021/ND-CP), the Law on Bidding and Tendering amended in July 2020 and other relevant laws and regulations. Foreign contractors can only carry out construction activities in Vietnam after obtaining a construction licence issued by Vietnamese authorities. Depending on the type of project and the location of the project, construction permits for foreign contractors are issued by the Ministry of Construction or provincial construction departments of Vietnam. In order to obtain a Construction Work Permit, a foreign contractor must meet the following conditions: receive a notice of award from the owner or general contractor; the foreign contractor must form a joint venture with a Vietnamese contractor or use a Vietnamese subcontractor, unless the domestic contractor is unable to carry out any of the work under the tender. When forming a joint venture with a Vietnamese contractor or using a Vietnamese subcontractor, the content, quantity and value of the work to be carried out by the Vietnamese partner or the Vietnamese subcontractor must be clearly specified; and the foreign contractor must undertake to fully comply with Vietnamese laws and regulations on contracting works.

According to Vietnam's Law on Bidding (as supplemented and amended in July 2020), enterprises are eligible for bidding only if they meet the following conditions: have registration of establishment and operation approved by the competent authorities; are financially independent; are not in the process of dissolution, or are deemed to be in a state of bankruptcy or insolvency as stipulated by the law; are registered in the National Bidding Network system; ensure participation in the bidding in accordance with the regulations; are not in the period of prohibition of bidding; are in the shortlist shortlisted (if any); must form a consortium with Vietnamese contractors or use domestic subcontractors when participating in international tenders in Vietnam, except for domestic contractors who are unable to undertake any work of the tender package.

If the bidder is an individual, the following conditions must be met: the ability to complete a civil act; a professional certificate of compliance; registration in accordance with the law; not being held criminally liable; not being in a period of prohibition from bidding.

5.10.2 Prohibited areas

Vietnam's current Law on Bidding (effective 1 July 2014) does not specify the areas in which foreign enterprises are prohibited from participating in bidding.

5.10.3 Bidding method

The bidding methods stipulated in Vietnam's Law on Bidding include: public bidding, limited bidding, specified bidding, competitive bidding, direct procurement, self-execution, bidding under special conditions, and bidding with community participation.

5.10.4 Acceptance requirements

According to the Law on Construction of Vietnam and the Agreement on Detailed Provisions on Parts of Construction Project Quality Management, Building Construction and Project Maintenance (06/2021/NĐ-CP) issued by the Government of Vietnam on 6 January 2021, the acceptance of works includes acceptance of work content, acceptance of works at the stage of construction or part of the project, acceptance of the completion of the project, or acceptance of the project being put into operation, with the main provisions as follows:

[Acceptance of work content] Construction supervisor and contractor's technical person in charge of work acceptance according to the work plan and actual construction progress on site, responsible for the quality assessment results of the completed and accepted work, and confirm the acceptance results in writing; construction supervisors shall inspect the work according to the approved construction design drawings, technical guidelines, applicable technical specifications and standards, and the quality test results of the building materials and equipments related to the subject of acceptance inspection; the construction supervisor shall carry out acceptance within 24 hours after receiving the construction contractor's application for acceptance; prepare acceptance documents, including the name of the acceptance work item, time and place of acceptance, information of the personnel involved in the acceptance, and the conclusion of acceptance.

[Acceptance of the construction phase or part of the project] The owner and the contractor may agree on and organise phase acceptance or part of the project acceptance in accordance with the specific conditions of the project, which shall include experiments, inspections, appraisals, tests, trial runs, etc., to ensure that the statutory and design technical requirements are met, and the owner and the contractor may agree on the timing, procedures and content of the organisation of acceptance,

conditions and participants in the acceptance, etc., and confirm the acceptance in writing.

[Acceptance of the completion of the project or acceptance of the project being put into operation] It is held before the project is put into operation on the basis of the completion of all design and construction matters, the completion of the content of the work, the acceptance of part of the work or stage, as well as the results of the tests, inspections and commissioning in accordance with the requirements of the building design specifications, and so on. If the project has been completed and meets the design requirements, and the existence of some problems does not affect the carrying capacity, life and function of the project, and to ensure that the project meets the safety operation conditions stipulated in the relevant professional laws, the owner may organise conditional acceptance in order to put the project into temporary use.

5.11 Provisions for the protection of intellectual property rights

5.11.1 Laws and regulations on the protection of intellectual property rights

The administrative authorities in charge of intellectual property rights in Viet Nam are the Department of Intellectual Property under the Ministry of Science and Technology, which is responsible for the protection of industrial property rights (including patents and trademarks); the Department of Copyright under the Ministry of Culture, Sports and Tourism, which is responsible for copyright-related protection; and the Ministry of Agriculture and Rural Development, which is responsible for the protection of plant diversity. Currently, Vietnam's IPR legislation is dominated by the provisions on IPR in the Law on Intellectual Property Rights (IPR) enacted in November 2005 (supplemented and amended on 14 June 2019), the Trade Law enacted in the same year, and the Civil Code enacted in 2015. In addition, Viet Nam's Competition Law, Civil Procedure Code and

Intellectual property protection is also covered by a number of laws, including the Criminal Procedure Code. Viet Nam is a member of many international treaties and conventions on intellectual property rights and is currently improving its domestic system of intellectual property protection. Vietnam actively participates in the negotiation of FTAs, and the CPTPP, which will come into force in 2019, and the Vietnam-European Union Free Trade Agreement, which

will come into force in 2020, have both made high level commitments to IP protection. Vietnam is currently in the process of revising its domestic legislation on IPR to improve its legal system to fulfil its commitments under the agreements. Regarding patent protection, there are three types of patent protection in Vietnam, namely invention patents, utility patents and design patents. The revised version of Vietnam's Civil Code, which came into effect in 2017, explicitly stipulates that intellectual property rights are civil rights, protected under the civil law, and that employees or other persons have ownership rights and are protected by the law in respect of intellectual property acquired in their production and business activities, as well as in their creative activities.

5.11.2 Penalties for intellectual property infringement

In the case of intellectual property rights infringement, rights holders have the option of judicial or administrative remedies. The right holder may file a civil lawsuit to protect the intellectual property rights, requesting termination of the infringing act, public apology or correction, compensation for damages, destruction of the infringing product or requesting that it be used only for non-commercial purposes. To prevent the damage from expanding, the right holder may apply to the court for a pre-litigation injunction and demand compensation for the corresponding damages, etc. The right holder may file a complaint with the Intellectual Property Office to confirm the infringement. Vietnam Customs, market supervision agencies, etc. have the right to manage infringing goods and take measures such as searching, sealing premises, temporary detention of relevant persons, temporary seizure, etc.

products, suspension of product production and sales, and other measures to stop infringing behaviour. IPR infringement will face administrative penalties such as warnings, fines, revocation of business licences, confiscation of infringing products and equipment used to manufacture infringing products. Vietnam's 2016 revised Penal Code specifies that if importing or transshipment of goods infringing on intellectual property rights as well as counterfeit and substandard goods constitutes an offence, the judiciary has the right to take judicial measures and the offender shall be held criminally liable. For specific infringing products entering the country, the judiciary has the right to require the infringer to re-enter the country or directly destroy the infringing products.

In a patent infringement action, the patentee may apply for a preliminary injunction to stop the patent infringement immediately. Once the infringement is found to be established, the patentee may obtain any of the following remedies: permanent injunction, damages, and benefit from the infringement. Currently, Vietnam has not yet established non-infringement declaratory actions and remedies against vexatious threats of litigation. In addition, if the company name or trademark of a newly established enterprise infringes an existing industrial property right, the competent authority will require the company to change its name or remove the infringing part of the expression or even revoke the company's certificate of registration.

5.12 Main ways of resolving business disputes and applicable law

In case of disputes arising from local investment and co-operation in Vietnam, the ways to resolve them are as follows: appointing local lawyers to resort to the local judiciary, and then, in case of unfair judgement or implementation, complaining to the higher authorities and the relevant government inspection departments; and resolving them through international arbitration in accordance with the provisions of the contract directly, and at the same time reporting to the business agencies abroad for co-operation.

The laws and regulations on dispute settlement in Viet Nam are relatively sound, including the Civil Procedure Code, the Administrative Procedure Code and the Arbitration Law. The current legal system of contracts in Viet Nam is based on the

content of the Civil Code on contracts. The forms and types of contracts are similar to those in China. The forms of contracting are divided into oral, written and other forms. Types of contracts are divided into single contracts, double contracts, main contracts, subordinate contracts, contracts for the benefit of third parties, conditional contracts, etc. In terms of general contract types, they are divided into 15 basic contracts such as sale and purchase contracts, property exchange contracts, gift contracts, property loan contracts, lease contracts, property loan contracts, service contracts, delivery contracts, processing contracts, property storage contracts, insurance contracts, entrustment contracts, bounty and prize competitions, transfer of land-use rights, technology transfer contracts and so on. When signing a contract, the parties must consider choosing the applicable law, including Chinese law, Vietnamese law, international treaties and international practices. Dispute handling methods must be specified in the contract, and arbitration is generally chosen to be conducted by third-country arbitration organisations.

In terms of international law, Viet Nam focuses on external contacts and has participated in a number of international organizations, including the Association of Southeast Asian Nations (ASEAN), WTO, APEC, the International Food and Agriculture Organization (FAO), the International Civil Aviation Organization (ICAO), the International Development Association (IDA), the International Financial Organization (IFO), the International Labour Organization (ILO), the International Maritime Organization (IMO), the International Monetary Fund (IMF), the International Organization for Standardization (ISO), the United Nations Conference on Trade and Development (UNCTAD), the World Intellectual Property Organization (WIPO), etc. Viet Nam signed the Convention on the Recognition and Enforcement of Foreign Arbitral Awards on 28 July 1995

(referred to as the New York Convention) and became a member of the Convention.

Vietnam recognises international arbitration or foreign court decisions. Pursuant to Article 14 of Vietnam's 2014 Law on Investment (Law No. 67/2014/QH13), if an investment dispute arises between a Vietnamese investor and a foreign-invested enterprise (FIE) within the territory of Vietnam, it shall be resolved through an arbitration institution or a court in Vietnam, except in the case of a foreign-invested controlled enterprise (including a foreign investor with a shareholding of 51 per cent. or more, or a joint venture established by a foreign investor and a foreign-invested controlled enterprise, etc.). . For investment disputes occurring in a foreign-owned holding company, they may be resolved in one of the following ways: a Vietnamese court, Vietnamese arbitration, foreign arbitration, international arbitration, or an arbitration tribunal established by both parties to the dispute. Disputes with the Vietnamese management may choose Vietnamese arbitration or court, unless otherwise agreed with the management or provided for in international conventions to which Vietnam is a party.

At present, most investment and cooperation disputes with the Vietnamese side are settled through the following arbitration institutions: the Singapore International Arbitration Centre (SIAC), the American Arbitration Association (AAA), the Arbitration Institute of the International Chamber of Commerce (ICC), the China International Economic and Trade Arbitration Commission (CIETAC) and the Hong Kong International Arbitration Centre (HKIAC). The Prime Minister of the Government of Viet Nam approved on 28 April 1993 the establishment of the International Arbitration Centre (VIAC).

From the situation in recent years, Chinese and Vietnamese enterprises in contract disputes, even if the local court ruled in favour of the Chinese side, the implementation is very difficult, because the court lacks the power of enforcement, and the creditworthiness of Vietnamese enterprises is difficult to find out, difficult to control.

6. Developments in the digital economy and related provisions

6.1 State of digital infrastructure

Vietnam's digital infrastructure is relatively well developed, with the national communications infrastructure covering the entire territory. By the end of 2021, fibre-optic cables and transceiver base stations covered more than 1 million kilometres and were connected to six international submarine fibre-optic cable lines (AAGAPG\$MW-3, IA, AAE-1, TVH lines). With 99.7 per cent mobile network coverage, 3G and 4G mobile networks have been widely covered. As of May 2022, Vietnam has 7 enterprises providing mobile communications services, of which 5 provide 4G services. 63 enterprises provide internet services. The country has about 134 million mobile subscribers, with an average of more than one mobile phone per person. There are about 69 million mobile broadband subscribers and 18 million fixed broadband Internet subscribers, with revenues from telecommunication services amounting to VND130.7 trillion (US\$5.3 billion).

6.2 Developments in the digital economy

Southeast Asia's digital economy growth is slowing after years of expansion due to global economic headwinds, according to a new research report released by Google, Temasek and Bain. In 2022, the digital economy in six countries - Vietnam, Singapore, Indonesia, Malaysia, Thailand and the Philippines - is expected to grow at about 20 per cent, down from 38 per cent last year. This is the first time the series of reports has lowered the expected growth rate of Southeast Asia's digital economy. However, Vietnam has maintained the fastest growth rate among the six countries mentioned above, with the digital economy expected to reach US\$23 billion in 2022 and is expected to reach US\$49 billion in 2025, mainly thanks to the rapid development of e-commerce. Data from Vietnam's Ministry of Industry and Trade also shows that the size of the country's e-commerce market has maintained a high growth rate of 20-30 per cent over the past five years. In 2021, Vietnam's e-commerce retail turnover reached US\$13.7 billion, accounting for 6.5 per cent of the country's retail sales of goods and service revenue,

the number of online shoppers reached 49.3 million people, or about 53 per cent of the total population, and the average online shopping spending level reached US\$270, Vietnam's e-commerce is expected to continue to grow at an average annual rate of around 25 per cent over the 2022-2025 period, with e-commerce retail sales reaching US\$35 billion by 2025, accounting for 10 per cent of the country's retail sales of goods and services revenue.

By the end of 2021, the State Bank of Vietnam had authorised 37 intermediary payment institutions, including 34 e-wallets; by the end of 2021, there were more than 28 million activated e-wallet accounts, with e-payment turnover reaching US\$15 billion, a year-on-year growth of 168.5 per cent. Five types of mobile payments have seen the strongest growth: MoMo, Viettel Pay, Airpay, Zalopay and Grappay.

According to a research report by PwC, by 2025, the number of digital commerce users in Vietnam will increase to 70.9 million, while the number of users paying via mobile POS will increase from 28.6 million to about 34.6 million.

In 2021, Vietnam's information and communications technology (ICT) industry continued to grow at a high rate. total ICT industry revenue reached 1,360

billion, an increase of 9 per cent year-on-year, of which Vietnamese companies' revenue was about \$18.7 billion, accounting for 13.8 per cent.

In 2021, about 70 million people (70 per cent of the total population) in Viet Nam will use social networks, and the number of mobile phone subscribers will exceed 134 million. With 520,000 ccTLDs, ".vn" continues to rank first in ASEAN in terms of the number of domain names.

6.3 Digital economy development planning

On 3 June 2020, the Prime Minister of the Government of Viet Nam issued Decision No. 749 approving the National Digital Transformation Plan for 2030 by 2025. The plan proposes to build a stable and prosperous digital nation by 2030, with fundamental innovations in the way the Government manages, businesses produce and operate, lifestyles and employment, and to build a secure, humane and widespread digital environment.

The Government of Viet Nam believes that a change in mindset plays a decisive role in promoting digital transformation, and that agencies and organisations at all levels must fully grasp the opportunity to make every effort to promote digital government, economy and society, giving priority to the digital transformation of healthcare, education, finance and treasury, agriculture, transport and logistics, energy, resources and environment, and industrial production, which are closely related to people's lives.

Digital enterprises are the mainstay of the development of digital infrastructure and digital platforms, advisory services and the provision of transformation solutions. The development of digital platforms is a breakthrough in promoting the quality and efficiency of digital transformation, international cooperation is an important way to achieve transformation, especially social transformation, and safeguarding cybersecurity is the key to the success of transformation and a necessary component of digital transformation. Coordinated promotion by party and government organs at all levels and the participation of all people are important factors in guaranteeing the success of the transformation.

The Vietnamese government has set out to realise the dual objectives of both developing a digital government, digital economy and digital society, and establishing globally competitive digital technology enterprises.

First, the development of digital government. By 2025, the proportion of four levels of online public services accessed through various means should reach 80 per cent, and the proportion of paperless offices at the provincial and ministerial levels, county levels and townships, except for classified documents, should reach 90 per cent, 80 per cent and 60 per cent. All national basic databases serving the development of e-government, including residents, land, business registration, finance, insurance, etc., shall be networked and shared nationwide, and 50 per cent of the checking work of the state management agencies shall be completed through digital platforms, so as to enter the ranks of the world's top 70 e-government countries. By 2030, the proportion of four levels of online public services accessed through various means should reach 100 per cent, the proportion of paperless offices at the provincial and ministerial levels, county levels and townships should reach 100 per cent, 90 per cent and 70 per cent, except for classified documents; a data platform for key economic sectors should be built on the basis of databases of state organs and the Internet of Things (IoT); administrative procedures should be reduced by 30 per cent, and data should be opened up to various economic organisations and enterprises. Increase innovative services by 30 per cent, with 75 per cent of inspections by State management agencies completed through digital platforms, and enter the ranks of the top 50 e-government countries in the world.

The second is the development of the digital economy. By 2025, the digital economy will account for 20 per cent of GDP and will be present in all fields and industries.

It will account for at least 10 per cent of GDP, increase labour productivity by at least 7 per cent on average, and rank in the top 50 globally in the ICT Development Index (IDI) and the Global Competitiveness Index (GCI), and in the top 35 in the Innovation Index (GII). By 2030, the digital economy will account for 30% of GDP, at least 20% in all fields and industries, labour productivity will be increased by at least 8% on average, the ICT Development Index (IDI) and Global Competitiveness Index (GCI) will be among the top 30 in the world, and the Innovation Index (GII) will be among the top 30.

Third, the development of a digital society. By 2025, fibre-optic broadband should cover 80 per cent of households and 100 per cent of towns and villages, 4G/5G mobile networks and smartphones should be universally available, more than 50 per cent of individuals should be able to open electronic settlement accounts, and the cybersecurity index should be among the top 40 in the world. By 2030, fibre-optic Internet will be universal, 5G will be universally available, more than 80 per cent of individuals will have electronic settlement accounts, and the cybersecurity index (GCI) will be among the top 30 in the world.

6.4 Policies and regulations related to the digital economy

The Government of Viet Nam attaches importance to the development of information technology (IT) and digital economy, and as early as 29 June 2006, it promulgated the Law on Information Technology, which sets out the general legal framework in the field of IT.

The Political Bureau of the Central Committee of the Communist Party of Viet Nam promulgated on 1 July 2014 the Resolution on Promoting the Application and Development of Information Technology to Meet the Requirements of Sustainable Development and International Integration (Resolution No. 36).

The Government of Viet Nam issued the Resolution on Promoting Information Technology Application and Development, Sustainable Development and International Integration on 15 April 2015 (Resolution No. 26/NQ-CP).

On 14 October 2015 the Government issued the Resolution on e-Government (Resolution No. 36a).

The Prime Minister of the Government of Viet Nam issued Decision No. 392 on 27 March 2015 approving the "Target plan for the development of the information technology industry by 2020 and the target by 2025".

The Prime Minister of the Government of Vietnam issued the Directive on Enhancing Capacity Building for the Fourth Industrial Revolution on 4 May 2017 (No. (Directive 16).

The Politburo of the Central Committee of the Communist Party of Vietnam (CPV) issued the Resolution on Active Participation in the Fourth Industrial Revolution on 27 September 2019 (Resolution No. (Resolution 52-NQ/TW).

The Government of Viet Nam issued Decision No. 749 of 3 June 2020 approving the National Plan on Digital Transformation by 2025 towards 2030.

6.5 China's investment and co-operation in the digital economy with Vietnam

Vietnam is the third largest e-commerce market in ASEAN after Indonesia and Thailand, with a market size of about US\$15 billion in 2021. The online conversion rate of Vietnam's e-commerce industry is 1.3 times higher than the average of Southeast Asian countries.

Shopee, TiKi and Lazada are the top three e-commerce platforms in Vietnam, and mobile terminal devices are the main channels for e-commerce users in Vietnam. The public has low trust in online payments, with cash-on-delivery accounting for more than 80 per cent of total transactions. Takeaway platforms are growing rapidly, with a proliferation of takeaway apps, represented by Grab Food (63 per cent) and Now Shipping (43 per cent) from 2019, and 50 per cent of consumers have started to use takeaway apps to order food.

Vietnam's main e-commerce platform has Chinese capital in its shares. Jingdong (JD.com) has acquired a 25 per cent stake in Tiki for an undisclosed price, and Tencent-owned VNG is Tiki's other major shareholder, acquiring 28.9 per cent of its shares. Alibaba owns 83 per cent of Lazada. Tencent holds a 39.7 per cent stake in shopee parent company Sea. Tiki, on the other hand, is one of Grab's major shareholders.

7. Green economy developments and related provisions

7.1 Developments in the green economy

Viet Nam is one of the countries most affected by climate change. Over the past 15 years, natural disasters have caused annual losses of about 1.5 per cent of Viet Nam's GDP. The Vietnamese government has gradually increased its attention to the green economy, introducing a series of policies to encourage the clean energy sector and increasing investment in and application of solar and wind energy. At present, the scale of renewable energy power generation in Viet Nam has exceeded 5,500 megawatts (MW), accounting for 10 per cent of the country's total power generation capacity, of which solar power has been connected to the grid at about 4,500 MW.

The natural resources and environment sector contributed more than VND9,500 billion in revenue in 2016-2020, according to the Ministry of Environment and Resource Management (MERM). In 2020, land revenue doubled compared to 2015. Some 230,000 hectares of land have been converted to serve economic development, and nearly 1 million hectares of undeveloped land have been used for forest plantations. Hundreds of thousands of hectares of project land with stalled development progress have been put back into effective resource development.

The problem of land salinisation is further exacerbated. In 2020, Vietnam's land salinisation is 2-2.5 times higher than in 2016, but the government's proactive response has reduced economic losses by 9.6 per cent.

The international organisations related to green economy that Viet Nam has joined are: the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organisation (UNIDO), the United Nations Development Programme (UNDP), the International Union for Conservation of Nature (IUCN), the World Wide Fund for Nature (WWF), and so on.

Viet Nam's participation in international conventions in the field of environmental protection includes: United Nations Framework Convention on Climate Change, Kyoto Protocol.

《巴黎协定》《蒙特利尔议定书》《关于持久性有机污染物的斯德哥尔摩公约》《控制危险废物越境转移及其处置巴塞尔公约》《生物多样性公约》《关于特别是作为水禽栖息地的国际重要湿地公约》《关于获取遗传资源和公正和公平分享其利用所. Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilisation; Cartagena Protocol on Biosafety; Protocol Supplementary to the Cartagena Protocol on Biosafety on Legal Obligations under the Cartagena Protocol on Biosafety; and Agreement for the Establishment of the ASEAN Centre for Biological Diversity.

7.2 Green economy development planning

In October 2021, the Prime Minister of the Government of Viet Nam issued Decision No. 1856 approving the National Strategy on Green Growth for 2021-2030 towards 2050, which sets out the position, objectives and tasks and initiatives to promote green growth, while establishing the National Steering Committee on Green Growth, with a permanent body at the Ministry of Planning and Investment.

According to the strategic plan, the overall objective of green growth in Vietnam is to promote economic restructuring in conjunction with the transformation of the growth model.

The whole, to achieve economic prosperity, environmental sustainability, social equity and justice, and to achieve the goals of a green economy, carbon neutrality and limiting the rise in global temperature.

Specific objectives of the strategic plan include:

The first is to reduce the carbon intensity of GDP. GDP carbon intensity will be reduced by at least 15 per cent by 2030 compared to 2014, to Decline of at least 30 per cent by 2050.

The second is to promote the building of a green economy. In the 2021-2025 period, energy consumption per unit of GDP will drop by 1-1.5 per cent per year, renewable energy will account for 15-20 per cent of the total supply of primary energy, the output value of the digital economy will account for 30 per cent of GDP, and the rate of forest cover will reach 42 per cent; and by 2050, energy consumption per unit of GDP will drop by an average of 1.6 per cent per decade in each period, renewable energy will account for 25-30 per cent of the total supply of primary energy, and the rate of digital economic output will reach 50 per cent of GDP, and the forest cover will reach 42-43 per cent. total energy supply to 25-30 per cent, digital economy output to 50 per cent of GDP and forest cover to 42-43 per cent.

Thirdly, promoting green lifestyles. By 2030, 95 per cent of urban solid domestic waste will be recycled and treated in accordance with standardisation, and 10 per cent will be directly landfilled; 50 per cent of urban sewage will be recycled and treated in accordance with standardisation in cities of the second category or above, and 20 per cent in other cities; the ratio of public transportation to be carried by public transport will reach 20 per cent in cities of the special category and 5 per cent in cities of the first category; 15 per cent of cities in the special category and 10 per cent of cities in the first category will be using clean energy for public transport; government green procurement will account for 35 per cent of the total; at least 10 cities will be approved as green cities along the direction of smart cities. The ratio of public transport to be transported will reach 20 per cent in special category cities and 5 per cent in category 1 cities, and the use of clean energy for public transport will reach 15 per cent in special category cities and 10 per cent in category 1 cities. By 2050, the proportion of urban solid domestic waste recycled and

treated according to standardisation reaches 100%, and the proportion of direct landfill reaches 10%; the proportion of urban wastewater recycled and treated according to standardisation reaches 100%; the ratio of public transport carrying reaches 40% and 15% in special category cities and category 1 cities respectively, and the ratio of using clean energy public transport reaches 100% and 40% in special category cities and category 1 cities respectively; Government green procurement accounts for 50 per cent of the total, and at least 45 cities have been approved as green metropolises along the direction of smart cities.

Fourth, the process of achieving a green transformation. By 2030, the human development index (HDI) will be 0.75 or higher, 100 per cent of provinces and cities will have upgraded air environment quality management, and at least 70 per cent of the population will be using clean water that meets national standards; by 2050, the HDI will be 0.8 or higher and at least 90 per cent of the population will be using clean water that meets national standards.

7.3 Policies and regulations related to the development of a green economy

The Government of Viet Nam issued Decision No. 153/2004/QĐ-TTg of 2004 on the "Agreement on the Strategic Direction of Sustainable Development in Viet Nam", which raises issues related to green economy and environmental protection. In recent years, in the context of global efforts to reduce carbon emissions to adapt to climate change, strengthen natural resource management and environmental protection, the Central Committee of the Communist Party of Viet Nam, at its 11th session on 3 June 2013, issued Decision No. 24-NQ/TW on the theme "Actively responding to climate change".

The resolution on "Climate change, strengthening natural resource management and environmental protection" has as its key mandate the explicit "promotion of a paradigm shift in economic growth". The resolution also affirms the elements of "green growth and sustainable development" and "the development of an environmental economy based on environmental industries, environmental protection services and waste recycling. It promotes the socialisation of environmental protection, the development and use of new and renewable sources of energy, and sustainable production and consumption".

Up to now, Viet Nam has formulated the National Strategy on Environmental Protection 2001-2010 and on 5 September 2021 the Decision on the National Strategy on Environmental Protection 2020 and Vision 2030 (Decision No. 1216/QĐ-TTg). These strategies are in line with Viet Nam's socio-economic development strategies formulated in various periods.

With regard to the policy on the development of "green economy", Viet Nam has not yet issued special documents. However, policies closely related to green economy, such as "low carbon economy", "reducing emissions and adapting to climate change", "green growth", "green technology" and "green jobs", have been gradually implemented and improved. Green Technology" and "Green Jobs" have been gradually implemented and improved. Viet Nam has recognised the new trend of not developing the economy at the cost of high energy consumption and ecological damage and is actively transforming from a brown economy to a green economy.

It is worth noting that the Government of Viet Nam has implemented the Green Growth Strategy on 25 September 2012 in accordance with Decision No. 1393/QĐ-TTg, in addition to the policy on the transition of the economy to green growth in Resolution No. 24/NQ/TW. Prior to that, the Government issued Decision No. 432/QĐ-TTg on 12 April 2012 on the "Approval of the Strategy for Sustainable Development of Viet Nam for the period 2011 - 2020" in relation to green growth. The relevant policies show that Viet Nam is exploring and gradually improving the harmonisation of "green economy" and "environmental protection" in order to achieve the goal of

sustainable development.

7.4 China's green investment with Vietnam

In recent years, Chinese-funded enterprises have actively participated in investment and business co-operation in the field of clean energy in Vietnam, mainly as follows:

【Photovoltaic field】 Since 2014, Trina Solar, JAO, Vietnam Photovoltaic and other 12 enterprises have invested nearly US\$2 billion in the photovoltaic industry in Vietnam's Beijiang Province, which has naturally clustered to form a photovoltaic industry cluster. Up to now, 11 enterprises have been put into production, with a total module production capacity of 20GW and a battery production capacity of 21GW, becoming China's largest overseas PV product production base.

Chinese-funded enterprises have undertaken most of the PV power plant projects in Vietnam, and CECC has participated in the construction of 22 PV power plants in Vietnam, with a contract value of US\$1.438 billion. Among them, by Vietnam Chunqiao Company and Thai investor B.GRIMM Power Company jointly developed, CECC assisted the owner to complete the financing and general contracting of Vietnam Youting solar power plant in June 2019 formally put into commercial operation, the project's installed capacity of nearly 500MWp, the use of Chinese technology, China's equipment, China's standards, for the Southeast Asia region's largest solar power plant power.



Vietnam oil-fired solar power plant

[Wind power sector] According to incomplete statistics, Chinese enterprises have invested in or constructed nearly 70 wind power projects in Vietnam, involving an installed capacity of 3.3GW.



Phu Lak Wind Power Project, Vietnam

[Waste-to-energy co-operation] At present, Chinese enterprises have invested in and constructed four waste-to-energy projects in Vietnam. Among them, China Everbright International invested in the construction and operation of Vietnam's first modern domestic waste power generation project in Can Tho, which was officially put into operation in December 2018. With a total investment of more than RMB 304 million and core technology and equipment independently developed by the Chinese side, the project will process 146,000 tonnes of domestic rubbish per year after commissioning and provide about 60 million kWh of green electricity. The Hanoi Shuoshan Waste

Incineration Power Generation Project under construction is invested by Chinese private enterprise Tianying Group and constructed by China Metallurgical Group Co. The total investment of the project is about 320 million US dollars. After completion, the project will process 4,000 tonnes of domestic rubbish per day, making it the largest rubbish power station in Vietnam.



Can Tho waste-to-energy project

8. Procedures for investment cooperation in Viet Nam

8.1 Procedures required for investing in a registered business

8.1.1 Forms of establishment of a business

Forms of investment and establishment of enterprises in Vietnam include representative offices, trading companies, limited liability companies, joint stock companies, etc.

8.1.2 Receiving organisations for registered businesses

The Vietnamese government has decentralised the approval of almost all foreign investment projects to provincial departments, maintaining approval for only a few sectors. Among them, the Ministry of Planning and Investment is responsible for approving inter-provincial BOT projects; the Ministry of Industry and Trade approves oil and gas projects; the State Bank approves projects for banks and other financial institutions; and the Ministry of Finance approves insurance projects. For projects of national significance, the National Assembly decides on investment projects and project criteria, and the government is responsible for establishing project approval procedures and issuing investment licences. For other projects, registered enterprises are handled by provincial and municipal planning and investment departments.

8.1.3 Main procedures for registering a business

The procedure for registration [of a wholly foreign-owned enterprise] is as follows:

(1) Application form. Prior to the establishment of a company, the founders must submit an application for the establishment of a company to the People's Committee of the province, municipality directly under the central government or the first-level administrative unit equivalent to the place where the company's office is to be established.

(2) Business registration. Companies must register their business with the economic arbitration organisations of the province, municipality directly under central authority, or with the administrative unit at the same level.

(3) Establishment Announcement. According to the relevant laws and

regulations, the establishment of a foreign enterprise investing in Vietnam must be announced in three consecutive issues of central or local newspapers.

With regard to investment licences, there are two categories under Vietnamese law: the first is the registration for the issuance of investment licences, which is applicable to projects with an investment value of up to VND 300 billion (approximately US\$ 13 million) and which do not fall into the category of conditional business operations. Documents to be prepared for such projects include: investment registration form (in accordance with the unified form of the Ministry of Planning and Investment), certificate of legal qualification of the investor, report on the financial status of the investor (prepared by the investor and for which the investor assumes responsibility), and joint venture contract or co-operative business contract. Three copies of the above documents are prepared, of which one is the original, and submitted to the Programme and Investment Management Department. Within 15 days from the date of receipt of the qualifying documents, the Plan and Investment Management Department issues the investment licence. The second type is to approve the issuance of investment licences for projects with an investment amount of more than VND300 billion (approximately US\$13 million) or belonging to the category of conditional business. Documents to be prepared for such projects include: application for investment licence, certificate of legal qualification of the investor, certificate of the investment

A report on the financial situation of the investor (prepared by the investor himself and for which he assumes responsibility), a report on the economic and technical feasibility study of the project, and a co-operative business contract. If the project belongs to a conditional business industry, it is also necessary to provide a report stating that the investment project meets the required business conditions.

[Representative Office] According to Vietnamese law, enterprises can obtain a licence to set up a representative office in Vietnam as long as they have been registered for legal operation in accordance with Chinese law. The general process includes: First, the person in charge of the representative office for a good passport, no criminal record and domestic company business licence and other relevant materials; Second, to the proposed office to rent office space, sign a rental agreement; Third, to the Ministry of Industry and Trade of Vietnam website to download the relevant forms and information to be prepared to prepare the list of materials, prepare the application materials: Fourth, to the proposed location of the office of provincial and municipal Department of Trade and Industry submitted to the Office of the Office of the application for the establishment of the materials; Fifth, After receiving the application materials, the provincial and municipal Department of Industry and Trade will conduct examination and issue the establishment licence after passing the examination; 6. Announcement will be made in the prescribed newspapers in Vietnam; 7. Engrave the seal, open a bank account, and then carry out normal activities. It is important to note that a branch office established by a foreign enterprise in Vietnam cannot set up a representative office again.

[Branch Office] To set up a branch office, you have to send documents to the Ministry of Industry and Trade of Vietnam. Documents required for enterprises to apply for obtaining a licence to set up a branch include:

- (1) Application form for enterprises to apply for the establishment of branch offices (in the format unified by the Ministry of Industry and Trade of Vietnam);
- (2) Copy of business licence;
- (3) Relevant documents must be notarised by Chinese notary public, then certified by the Consular Bureau of the Ministry of Foreign Affairs of China (or Consular Division of Provincial Foreign Affairs Offices), followed by consular certification by

Vietnamese Embassies and Consulates in China. All certified documents must be translated by qualified certified translation agencies in Vietnam so that the documents are legally valid.

8.2 Procedures for Undertaking Engineering Projects

8.2.1 Access to information

The Bidding Administration of the Ministry of Planning and Investment of Viet Nam publishes information on project bidding nationwide through newspapers, websites and other channels. Chinese enterprises may subscribe to the Bidding Newspaper organised by the Ministry of Planning and Investment or obtain project bidding information through the Ministry's website (please see Appendix).

8.2.2 tenders and bids

According to the Vietnamese Law on Tenders, all Vietnamese state investment projects or projects financed by loans from international organisations are subject to tendering. Bidding for large-scale projects requires a longer period of approval. Self-financed projects may be carried out through negotiated tenders.

Vietnam has a hierarchical approach to project approval, which includes:

For projects approved by the Prime Minister of the Government: the Prime Minister approves the bidding plan; approves or delegates the approval of the results of the selection of contractors; approves or delegates the approval of relevant circumstances arising from the bidding process and deals with violations of the law. For projects that are State secrets, projects that are urgently implemented in the national interest, and projects involving energy security, the Prime Minister approves or delegates the approval of the bidding plan and the results of the selection of contractors.

For projects approved by ministers, heads of ministerial agencies, heads of other central government agencies, and chairpersons of provincial and municipal people's committees directly under the central government: the executive head of the department is responsible for approving the bidding plan; approving or delegating the approval of the bidding tender, and the results of the selection of contractors.

For projects approved by the executive heads of local governments at the sub-provincial level: the executive head of the department is responsible for approving the content of bidding within the scope of authorisation; for projects within the scope of the department's approval authority, it may approve the project bidding plan, approve or authorise the approval of tenders, the results of the selection of contractors, and so on.

8.2.3 government procurement

Viet Nam is not a signatory to the Government Procurement Agreement (GPA) under the legal framework of the WTO, but on 5 December 2012 has officially become an observer to the GPA. Currently, Vietnam's government procurement is based on legal and regulatory documents such as the Law on Tenders issued in 2013, the Ministry of Finance's Circular on Specific Provisions on Procurement with State Budget Funds (No. 58/2016/TT-BTC) issued in 2016, and may be subject to international tendering. In principle, all government procurement shall be conducted through public tendering, but contractors may also be appointed, procurement by request for quotations, direct procurement, and invitation to tender in special cases, etc., with the different procurement methods having their own detailed prerequisites and regulations.

8.2.4 Licensing procedures

According to the Vietnamese Law on Bidding, contractors are eligible to participate in bidding only if they: first, hold a business licence issued by the competent authorities of the country in which they are located; secondly, have independent economic accounting qualifications; and thirdly, have a healthy financial status.

Contractors participating in the bidding will first be pre-qualified, which is usually held after the owner has issued a tender notice and before the contractors submit their bids. Pre-qualification includes the contractor's past performance and reputation, equipment and technical condition, technical ability of personnel, management level and financial status. The contractor should provide a letter of intent to bid, the company's articles of association, a list of the company's technical and administrative personnel, a list of the company's existing machinery and equipment, and a list of contracts for projects undertaken in the past five years.

Pre-qualified contractors are required to purchase the tender documents from the designated agency in accordance with the Owner's notice and proceed with the preparation of their bids. Upon completion of the preparation of bids, the Contractor shall deliver them to the Owner's designated bidding organisation within a specified period of time to participate in the bidding. Contractor

Upon notification of award, the contractor is required to negotiate a contract with the owner and submit a performance bond within a specified time frame.

8.3 Patent and Registered Trademark Applications

8.3.1 Patent application

A natural or legal person may file a patent application directly with the Vietnam Intellectual Property Office and its branches by submitting the following documents: firstly, 2 copies of patent application form (in Vietnamese) setting out the main contents of the product or technology to be patented and providing detailed information of the applicant; secondly, 2 copies of specification of the product or technology to be patented (including textual descriptions and photographs) setting out the name of the product or technology, the field of technology, the specific implementation method and other characteristics; fourthly, other relevant materials (if any); and fifthly, proof of payment of fees, specific implementation method and other characteristics; three, two copies of the need for protection; four, other relevant materials (if any); and five, proof of payment of fees. The Intellectual Property Office and its branches will be responsible for keeping the secrets of the product or technology to be patented. The formal examination period is one month from the date of receipt of the application. The patent examination period will not exceed 18 months.

Applicants can apply online through the official website of the Intellectual Property Office or submit their applications to the Intellectual Property Office by post. The specific address is given below:

Hanoi Intellectual Property Office Address: 386 Nguyễn Trãi, quận Thanh Xuân, thành phố Hà Nội.

Ho Chi Minh City Intellectual Property Office Representative Office is located at Lầu 7, tòa nhà Hà Phan, 17/19 Tôn Thất Tùng, phường Phạm Ngũ Lão, quận 1, thành phố Hồ Chí Minh.

The representative office of the State Intellectual Property Office in Da Nang City is located at Tầng 3, số 135 Minh Mạng, phường Khuê Mỹ, quận Ngũ Hành Sơn, thành phố Đà Nẵng.

8.3.2 registered trademark

Natural or legal persons file applications directly with the Vietnam Intellectual Property Office (VIPO), and multiple class applications are permitted. Goods are classified into 45 classes in accordance with the Nice Agreement. The exclusive right to use a trademark is valid for 10 years from the date of application, and renewal of registration is applied for 6 months before the expiry date, and each renewal of registration is valid for 10 years. Registered trademarks must be used. If it is not used for 5 consecutive years after registration, it may be subject to an application for cancellation.

A trade mark application or a registered trade mark can be assigned. An assignment of a registered trade mark is legally effective only after registration. An assignment of a trade mark application can be registered only after registration. A licence can only be granted for a registered trade mark and the licence contract must be registered.

[Application information] includes:

(1) staple

- ① Application for registration of a trade mark in duplicate;
- ② 5 copies of the trade mark drawing;
- (iii) Proof of payment;
- ④ Provisions for the use of collective or certification marks;
- ⑤ Map of geographical areas.

(2) Other materials

① One notarised power of attorney signed by the applicant (a copy of the power of attorney can be submitted at the time of application, and the original can be submitted within 3 months);

② to the application of legal persons, with a copy of the "business licence" or valid registration certificate 1; to apply for natural persons with a personal identity documents;

- (iii) Documents certifying that the use of special signs is permitted;
- ④ Classes and names of goods/services to be protected;
- ⑤ Declaration of Priority (if required).

[Procedures and timing]

(1) Receiving documents. Applicants can submit their applications online, submit application documents directly or by mail to the State Intellectual Property Office in Hanoi or to the representative offices of the Intellectual Property Office in Ho Chi Minh City and Da Nang City.

(2) Formal examination. Upon receipt of an application for registration of a trademark, the Intellectual Property Office conducts a formal examination, which lasts for one month from the date of receipt of the application. The formal examination is based on the form of the application, the subject of the application, and the right to apply for a registered trademark, and concludes whether the application is reasonable or not.

(3) Qualified Publication. After a trademark registration application is confirmed as qualified, it will be published to the public within 2 months from the date of confirmation

of qualification. The contents of the publication of the application for trademark registration include the notification of eligibility for registration, the drawing of the trademark, the name of the goods and the name of the service.

(4) Substantive examination: the examination period is 9 months from the date of qualified publication, and examines whether the trade mark is distinctive and whether there are any prohibited circumstances. If it passes, a registration certificate is issued and published in the newspaper; if it fails, a notice of preparation for refusal is issued, and the applicant is given 2 months to respond or amend the application (e.g., to narrow the scope of goods). If the application still fails, a notice of refusal is issued, and the applicant may file a notice of refusal with the State Intellectual Property Office (SIPO) within three months of the decision.

An appeal is made to the Property Office, after which an appeal can be made to the courts.

If the registration process goes smoothly, it will take approximately 12 months.

8.4 Procedures related to corporate tax returns

8.4.1 Time to file tax returns

The taxable year for foreign enterprises is from 1 January to 31 December of the Gregorian calendar. A foreign enterprise may propose to the Ministry of Finance of Viet Nam that it be allowed to adopt its 12-month fiscal year for the purpose of calculating and paying corporate income tax.

8.4.2 Channels for filing tax returns

Businesses can choose to file their own returns with the local tax office, withhold through their landlords or file on their behalf through a local accounting firm.

Taxable profit for corporate income tax purposes is the difference between the total income and total expenditure of the enterprise in the taxable year, plus the profit derived from other sideline businesses of the enterprise, less any losses that can be carried forward to the following year. A foreign enterprise may include in its total expenses reasonable expenses confirmed by the tax authorities as donations to Vietnamese organisations and individuals for charitable and humanitarian purposes. In the course of business, if a foreign enterprise incurs a loss after submitting its taxable accounts to the tax authorities, it may carry forward its loss to the following year, which may be deducted from its taxable income, for a period of no more than five years.

8.4.3 Tax filing procedures

The procedures for filing tax returns are relatively simple. Enterprises can apply to the local tax bureau for a certificate of tax completion after they have filled in the tax return, provided the relevant documents and paid the tax in accordance with the regulations. Enterprises may also choose to file tax returns through electronic filing.

8.4.4 tax return information

The documents that enterprises need to submit when filing tax returns to the local tax bureau include: tax statements, enterprise tax code documents, tax returns, etc. In addition, the local tax office will from time to time check whether the relevant accounting documents and documents of the enterprise are in line with the above documents every year.

8.5 Work Permit Processing

8.5.1 competent authorities

The competent authorities responsible for processing labour permits in Viet Nam are the Ministry of Labour, Injured Soldiers and Social Affairs of Viet Nam and the Department of Labour, Injured Soldiers and Social Affairs of provinces and municipalities directly under the Central Government.

8.5.2 Work permit system

Foreign labourers working in Viet Nam for more than 3 months are required to apply for labour permits issued by the Department of Labour, Injured Soldiers and Social Affairs of provinces (municipalities directly under the Central Government) of Viet Nam. The validity period of the labour permit is determined according to the duration of the contract, but not more than 2 years; the period may be extended appropriately at the request of the work unit.

8.5.3 Application Procedures

[Residence regulations] Foreigners are required to declare the purpose, time and address of their entry into the country, and their activities in the country should be consistent with the declaration. Foreigners are not allowed to stay in restricted areas; foreigners shall apply for long-term residence at the Exit-Entry Administration Agency under the Ministry of Public Security of Viet Nam; the Exit-Entry Administration Agency under the Ministry of Public Security of Viet Nam shall issue long-term residence permits to foreigners who have been permitted to stay in Viet Nam for more than one year. The residence permit is valid for a maximum of 2 years. Holders are exempted from visas for entry and exit; applications for visas, visa endorsements, visa changes, residence permits and extensions of residence permits will be completed within five working days from the date of acceptance.

[Work permits] Vietnamese enterprises, agencies, organisations and individuals employing foreign labourers are required to sign labour contracts. The contents of the labour contract shall include: type of work, working hours, workplace, rest time, salary, duration of the contract, labour safety, labour hygiene, labour insurance. Labour contracts can be in the form of a written contract or an oral agreement. When a foreign worker is granted a labour permit, the employer has the responsibility to submit a copy of the labour contract signed by the employer and the employee to the organ issuing the labour permit, except when the foreign worker is selected by the foreign party to work in Viet Nam.

[Social insurance] Foreign labourers working in Viet Nam for more than three months are required to take out compulsory social insurance if they obtain a work permit or a work certificate issued by the competent authority. Employers are required

to pay medical fees for labourers who are disabled at work; if they are not insured, compensation is also paid in accordance with the conditions of social insurance.

8.5.4 information provide

- (1) Application for work permit for foreigners as stipulated by the Ministry of Labour, Injured Soldiers and Social Affairs of Viet Nam;
- (2) Health certificate or medical examination form (the period between obtaining the medical examination form and applying for a work permit must not exceed one year);
- (3) Judicial history or proof that the person is not a criminal or held criminally liable, or if the foreigner is already resident in Vietnam, he/she can only provide the Vietnamese judicial history;
- (4) Various types of certificates: some professional level certificates attesting to being an administrator, manager, specialist, technician, teacher, etc.. (Certificate of university graduation or above, confirmation of foreign work experience, etc.);
- (5) 2 colour photographs of 4cm x 6cm taken within the last 6 months, bareheaded and without glasses, on a white background;
- (6) Passport and visa (photocopies to be notarised);

(7) Documents related to work abroad: decision on employment by foreign companies, labour contracts, texts on the execution of the use of labour, etc.; if the submitted documents are 1 original or 1 copy, if the texts are in foreign languages, they are considered invalid and have to be translated into Vietnamese in accordance with the provisions of Vietnamese laws. All documents must be notarised, then certified by the provincial Foreign Affairs Department, then certified by the Vietnamese Embassy or Consulate abroad and translated into Vietnamese. There must be a notarisation that the photocopy matches the original and the translation matches the original.

8.6 Institutions able to provide investment co-operation advice to Chinese enterprises

8.6.1 Economic and Commercial Section of the Chinese Embassy in Vietnam

Address: No.39 Tran Phu Road, Ba Dinh, Ha Noi, 52 Hoang Yao Road, Ba **D i n h** District, Hanoi, Vietnam

(Viet Nam)

Tel: 0084-24-38438863, 37338125

Fax: 0084-24-38234286

E-mail:

vn@mofcom.gov.cn 网址:

vn.mofcom.gov.cn

Economic and Commercial Section of the Consulate General of China in Ho Chi Minh City

Address: No.175 Hai Ba Trung Str., Distr.6, Ward 6, District 3, Ho Chi Minh City, Vietnam.
(Hochiminh City, Vietnam)

Tel: 0084-28-38292463, 38275111

Fax: 0084-28-38231142

E-mail:

hochiminh@mofcom.gov.cn 网址:

hochiminh.mofcom.gov.cn

8.6.2 Vietnam Chamber of Commerce for Chinese Enterprises

English Name: Business Association of China in Vietnam

Address: M Building, Hanoi Hotel Business Centre, D8

Luan Wu Road, Ba Dinh District, Hanoi Tel: 0084-24-
37368950

Fax: 0084-24-37368951

Website:

www.vietchina.org/电邮:

vietchina@qq.com

Vietnam China Chamber of Commerce, Ho Chi Minh City Branch

Address: 12th Floor, CIENCO 4 Building, 180 Nguyen Thi Minh Khai St., Ward 6, Dist.
3, Ho Chi Minh City, Vietnam

Tel: 0084-28-62641027 / 62641028

Fax: 0084-28-6 2641029

Website:

<http://www.cbah.org.vn/>电邮:

cbah@hcm.vnn.vn

Vietnam China Chamber of Commerce Quang Ninh Branch

Address: 2nd Floor, Casino Building, Royal Hotel, Ha Long
Road, Bai Chai District, Ha Long City, Quang Ninh Province,

Vietnam Tel: 0084-33-3640339

Fax: 0084-33-3648188

Website:

www.vnone.vn电邮:

einlc@qq.com

Vietnam China Chamber of Commerce Hai Phong Branch

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9. Issues to be noted for Chinese enterprises in investment and cooperation in Viet Nam

9.1 offshore investment

Chinese enterprises need to pay attention to investing and operating in Vietnam:

- (1) Conduct project investigation and market survey carefully to avoid blind investment.
- (2) Fully understand the regulations, policies and investment environment of Vietnam in absorbing foreign capital, comply with Vietnamese laws and regulations and relevant provisions, and operate in compliance with the law. Avoid introducing projects with outdated technology, serious pollution, etc. that are not encouraged by the Vietnamese government.
- (3) Try to invest and set up factories in the form of sole proprietorship; if you set up factories in the form of joint venture with the Vietnamese side, you should have an in-depth understanding of the partners of the Vietnamese side and seek for partners with good reputation.
- (4) Strengthen investment risk prevention and go through the required procedures for the submission of domestic and foreign investment applications for approval and licences. When signing an investment contract, carefully consider the terms of the contract and clarify the rights and obligations of both parties, so as to prevent the occurrence of disputes with no basis to rely on.
- (5) Selection of competent, highly qualified operational staff with good foreign language (Vietnamese or English) to work in Vietnam.
- (6) Handle the relationship with the partners and the local authorities, and pay attention to internal coordination.
- (7) After the project is put into operation, attention should be paid to fulfilling corporate social responsibility and improving relations with the local government and people.
- (8) Do a good job of production and business management, set up a safe production, quality to win the business philosophy.

- (9) Maintain contact with the Economic and Commercial Section of the Chinese Embassy (Consulate) in Vietnam, and bring the domestic issued licence after the investment procedures are completed.

(b) The Certificate of Enterprise Overseas Investment, the Investment Licence and the Enterprise Registration Licence issued by the Vietnamese side, etc., report to the Economic and Commercial Section of the Chinese Embassy (Consulate) in Viet Nam for record-keeping, and report regularly to the Economic and Commercial Section on the situation of the production, operation and management of the enterprise. In case of major problems, the enterprises shall report to the Embassy (Consulate) in a timely manner.

9.2 Foreign contracted projects

Chinese companies contracting in Vietnam need to pay attention:

(1) Market opportunities should be seized. Vietnam attaches importance to infrastructure construction as the key to promoting economic development and safeguarding people's livelihood, and has put forward 10 key areas, including transport, electricity, industry, water supply and drainage. After years of unremitting efforts, Chinese enterprises have gradually opened up the situation in Vietnam's engineering contracting market, with strong competitive advantages in the fields of hydropower, thermal power, communications, cement, metallurgy, fertilisers and roads and bridges, etc., and greater potential for market development.

- (2) To localise operations. Vietnam's labour market is huge, the overall quality of the workforce is improving, and the number of adult

The cost is relatively low. Chinese enterprises should focus on engineering design and construction management in their contracting business in Vietnam, employ more local personnel, implement localised operation, not to crowd out local employment opportunities, and live in harmony with local enterprises for common development.

(3) Viet Nam is very strict in managing foreign labour in Viet Nam, and Chinese contractors should take into account the ratio of workers and the progress of the project when signing contracts, so as to avoid the illegal use of labourers in order to catch up with the project; the Viet Nam side hopes that contractors will pass on some of their technologies to the Viet Nam side in the process of implementing the project, so as to help the Viet Nam side to improve the technological level of the workforce and the level of industrialization and modernization; attention should be paid to enhancing the safety and security of the Chinese labourers and their day-to-day management. 尽量避免与当地百姓发生直接冲突。

Case 1: Certain Chinese enterprises have joined hands with relevant Vietnamese enterprises to trick domestic small and medium-sized enterprises into travelling to Viet Nam on the pretext of bidding for projects, in order to obtain undue benefits. The usual practice of these scams is: the Vietnamese side in the name of the owner to authorise the Chinese company, and then the Chinese side in the name of the domestic bidding agent to send a letter to the relevant production enterprises (accompanied by relevant project information and travel to Vietnam), inviting them to participate in the bidding in Vietnam, on-site understanding of the project, in order to cheat the high travel costs. After arriving in Vietnam, the company organised a "bidding tour to Vietnam" to participate in various pre-arranged meetings and seminars, and demanded and even coerced huge expenses (tips, translation fees, intermediary fees to meet with the so-called "senior leaders", etc.).

Case 2: Vietnam Haiphong Thermal Power Plant Project provided inaccurate geological information in the bidding documents, and the Chinese enterprise failed to make more in-depth geological research in the tender purchase and participation in the bidding, which led to the discovery of huge underground caverns under the foundation of the project after it won the bidding for the construction of the project, and the piling

treatment alone exceeded the budget by hundreds of millions of yuan, which caused great losses to the construction period and the efficiency of the enterprise.

9.3 foreign labour cooperation

(1) (b) Through regular intermediaries. At present, some illegal intermediaries take the bait of charging lower fees to recruit and send labour to Viet Nam without authorisation, without signing labour contracts with the labourers or assisting in applying for local labour permits, which has led to frequent labour disputes and caused greater losses to the labourers. According to the regulations of the Ministry of Commerce, the Ministry of Foreign Affairs and other relevant ministries and commissions, only companies that have obtained the qualification to send labourers abroad are allowed to send labourers abroad.

(2) Apply for a labour permit locally. Vietnamese law does not allow expatriates to work in Vietnam on tourist visas. Foreign labourers working in Vietnam for more than 3 months are required to apply for a labour permit. When applying for the permit, Chinese labourers are required to provide health certificates issued by hospitals at provincial or national level, certificates of no criminal record issued by the local police station, certificates of technical skills, etc., which are notarised by domestic notary public and certified by the Ministry of Foreign Affairs of the People's Republic of China and the Embassy of the People's Republic of Vietnam in China. It takes about 2 months to complete the whole set of procedures (including the time for domestic notarisation and certification).

(3) When hiring Chinese labourers, it is important to check whether they have entered the country legally and whether they hold legal documents; when paying wages to Chinese workers, they should strive to give them directly to the workers, so as to avoid incidents of labour disputes such as workers' wages being withheld or intermediaries maliciously defaulting on payment of wages.

Case 1: An enterprise contracted a project in Viet Nam and, in order to catch up with the schedule, hired some Chinese workers introduced by an illegal intermediary. When paying wages to the workers, the enterprise paid the wages directly to the foreman of the illegal intermediary company, who lost contact with the money after getting the money, and the workers who had not been paid clashed with the enterprise when they demanded their wages, and the local public security authorities intervened, which had a negative impact on the normal construction of the project.

Case 2: When a company was building a thermal power plant project in Viet Nam, it used a large number of illegal Chinese labourers in order to catch up with the schedule. Some of the Chinese labourers were beaten and robbed by local lawless elements when they went out to eat. Fearing that the local public security authorities would find out about the illegal labour problem, the company deliberately concealed the case and did not report it to the local public security authorities or to the Chinese Embassy or Consulate in Viet Nam, which resulted in the legitimate rights and interests of the injured Chinese workers not being safeguarded.

Case 3: During the construction of a Formosa Plastics Steel Plant project in Ha Jing, Viet Nam, a Chinese-funded enterprise took a chance and failed to apply for labour permits for some of its Chinese personnel in accordance with the law and used three-month business visas to work at the site because of the short construction period and complicated procedures. During a surprise inspection organised by the Vietnamese side, each of them was fined about RMB 7,000 and given a deadline to leave the country, which brought negative impacts on the project construction and the image of the enterprise.

In the process of investment, trade, contracting and labour cooperation in Vietnam, special attention should be paid to investigating, analysing and evaluating the relevant risks beforehand, and avoiding and managing the risks during the process, so as to effectively safeguard one's own interests. This includes investigation and assessment of the creditworthiness of project or trade clients and related parties, analysis and avoidance of political and commercial risks in the project location, and feasibility analysis of the project itself. Enterprises actively use insurance, guarantee, banks and other insurance financial institutions and other professional risk management institutions to protect their own interests. This includes credit insurance, property insurance, personal safety insurance, etc. for trade, investment, contracted projects and labour services, factoring and forfaiting operations of banks, and various types of guarantee operations (government guarantees, commercial guarantees, letters of guarantee).

It is recommended that enterprises use credit risk protection products, including political and commercial risks, provided by the China Export and Credit Insurance Corporation, a Chinese policy-based insurance agency, in the course of carrying out outbound investment and cooperation; they may also use commercial guarantee services provided by policy-based banks such as the Export-Import Bank of China.

China Export and Credit Insurance Corporation (CECIC) is a state-funded insurance company that supports China's foreign economic and trade development and co-operation, and has

It is a state-owned policy insurance company with independent legal personality, and is the only financial institution in China that undertakes policy export credit insurance business. The company's insurance products to support enterprises' foreign investment and cooperation include short-term export credit insurance, medium- and long-term export credit insurance, overseas investment insurance and financial guarantee, etc. The company provides risk protection for economic losses caused by nationalisation levies, exchange restrictions, wars and political riots, defaults, and other political risks in the countries (regions) where investments are made. To learn more about the services, please visit the company's website at: www.sinosure.com.cn

If a risk loss occurs without effective risk avoidance, it is also necessary to recover the loss as soon as possible through its own or related means, depending on the circumstances of the loss. In the case of business underwritten through a credit insurance institution, the credit insurance institution will determine and underwrite the claim and compensate for the risk loss, and the relevant organisation will assist the credit insurance institution in recovering the loss.

10. How to build harmonious relationships among Chinese enterprises in Viet Nam

10.1 Managing Relationships with the Administration and Congress

The National Assembly is the highest organ of power in Viet Nam, comprising the Standing Committee of the National Assembly, the Ethnic Affairs Committee, the Office and various specialised committees, and enjoys legislative power, the power to decide on important national issues and the highest supervisory power of the State. In exercising the State's economic affairs, it has the right to decide on national economic and social development plans, fiscal and financial policies, budgets and allocations, approve the State's general accounts and regulations, and revise or abolish taxes. Under the National Assembly, there are people's assemblies at the provincial (municipality directly under the central government), city, county and township (township) levels, which implement the guidelines and policies of the National Assembly (or people's assemblies) at the higher level and guide and supervise the relevant work of the local governments; the Government, as the highest administrative organ of the country, has its leaders and ministers elected by the National Assembly, and is supervised by the National Assembly, and is accountable to the National Assembly. There is now a Prime Minister and four Deputy Prime Ministers, who are in charge of 22 operational ministries and are responsible for formulating the country's overall economic development policies, macroeconomic and sectoral master plans. The competence of the central government in the economic sphere, with the exception of areas relating to national security, energy and mineral resources, is delegated to the local authorities, which exercise unified leadership in accordance with local conditions. In principle, local governments are accountable to the central Government; lower-level operational departments and bureaux are accountable to higher-level operational departments, and local operational departments have the responsibility to report to or seek advice from higher-level authorities in the implementation of their authority in important economic matters.

As Chinese enterprises' direct investment in Vietnam is still in the primary stage and has not yet formed a scale, there is little demand for enterprises to solve practical

problems through communication with the National Assembly or local councils in Vietnam, so there is little contact. At present, Chinese enterprises in Vietnam mainly contact and communicate with local governments and relevant business authorities through the Economic and Commercial Office of the Chinese Embassy in Vietnam and the Chinese Chamber of Commerce, such as the Chinese Chamber of Commerce in Vietnam (Hanoi) and the Ministry of Planning and Investment, the Ministry of Industry and Trade of Vietnam, and the Vietnam Chamber of Commerce and Industry, which have established a good communication mechanism. Common problems of unfair treatment encountered by enterprises investing and operating in Vietnam are centrally reflected through the Chamber of Commerce; for non-discriminatory individual cases, the Chamber of Commerce guides and assists enterprises in resolving them through judicial channels.

Chinese enterprises in Vietnam need to pay attention to the general election of the local government and the National Assembly, the direction of political and economic policies, and the focus and hot issues of the National Assembly. Understand the responsibilities of various departments of the Vietnamese government and various professional committees of the National Assembly, as well as their focus and hot issues, so that when encountering practical problems, they can pay attention to the situation, consider the situation in conjunction with each other, and take targeted actions.

10.2 Proper management of relations with trade unions

(1) Know the law. It is important to have a comprehensive understanding of the Labour Code of Viet Nam and to be familiar with the development of local trade unions, their systems, regulations and modes of operation.

(2) Law-abiding. It is necessary to strictly observe Vietnamese regulations on employment, termination of employment and social security, sign employment contracts with Vietnamese employees in accordance with the law, pay employees' salaries in full and on time, pay all kinds of social insurance and subsidies, etc., and carry out the

Necessary skills training. Termination of the employment contract is subject to prior notice to the employee and payment of termination indemnity in accordance with the Labour Code.

(3) Knowledge. It is necessary to carefully understand the organisational development of trade unions in the location of the enterprise, to grasp the characteristics of the activities of trade union organisations, and to know one's enemy and one's self.

(4) Communication. Daily production and operation should maintain the necessary communication with the trade union organisation to understand the ideological dynamics of the employees, carry out the necessary guidance, and find timely solutions to problems.

(5) Harmony. To establish a harmonious enterprise culture, invite trade union members to participate in enterprise management, enhance employees' sense of ownership, stimulate and protect their enthusiasm, and unite their wisdom and creativity.

10.3 Closer relations with the local population

Amplified and distorted propaganda on geo-relational factors such as historical and cultural entanglements between China and Vietnam and the South China Sea issue have a direct impact on the attitudes of some local people towards Chinese enterprises' investment in Vietnam. In order to eliminate misunderstanding, Chinese enterprises need to pay attention in the process of local investment:

(1) Understand the local culture. Be aware of the local culture, learn the local language and understand the cultural taboos and cultural sensitivities that go along with it, and integrate positively into the local society.

(2) Achieve localisation of talents. Appropriately employ local personnel to participate in enterprise management, promote local employment, and enable them to gain a deeper understanding of the contribution of Chinese investment to local economic development.

(3) Fulfil social responsibility and pay attention to local livelihood. Participate in

or organise local charitable activities, such as caring for the widowed elderly and left-behind children during Chinese New Year festivals, subsidising local education and caring for children's growth as much as possible. Pay more attention to "building bridges, roads, monuments and names" in charitable activities, so as to cultivate the trust and emotion of local residents towards Chinese enterprises.

Case] A Chinese bank Hanoi branch has 64 employees, 80 per cent of whom are local Vietnamese employees, making it the commercial bank with the largest assets and the largest number of Chinese employees in Vietnam. While playing the role of "financial bridge between China and Vietnam", the Hanoi branch of the bank is actively involved in public welfare in Vietnam, and over the past five years since its establishment, it has donated nearly RMB 850,000 to local public welfare projects in Vietnam. 2015, the Hanoi branch of the Chinese bank sponsored the Sino-Vietnamese Friendship Concert, and donated teaching equipment to Hoa Trung Middle School in Quang Ninh Province and teaching equipment to two primary schools in the old revolutionary areas in Vietnam, totalling RMB 4,000,000. teaching equipment for two primary schools in Vietnam's old revolutionary areas, totalling VND480 million.

10.4 Respect for local customs

Understanding the local culture and learning the local language, understanding the accompanying cultural taboos and cultural sensitivities, respecting the local people's self-esteem, respecting local customs and habits, and focusing on giving back to the local community are key to harmonious integration into the local community.

Key factors.

10.5 Protecting the ecological environment in accordance with the law

Vietnam is paying increasing attention to the co-ordinated development of environmental protection and economic growth. Chinese enterprises investing and co-operating in Vietnam should protect the local ecological environment in accordance with the law, understand Vietnam's environmental protection regulations and environmental protection standards, and conduct scientific assessment in advance of the possible impacts of production and operation on waste gas, waste water and other environmental impacts, and select a good solution in the planning and design process.

10.6 Assumption of necessary social responsibilities

Chinese enterprises engaged in economic and trade co-operation in Vietnam should not only endeavour to develop their business, but also assume the necessary social responsibility.

(1) Attention should be paid to the resource, environmental, labour, security and social governance issues brought about by business development, so as to avoid arousing resentment and resistance from local residents. Labour issues include not only wages and salaries, but also working conditions and overtime hours; environmental issues include environmental pollution caused by industrial production and ecological imbalances caused by the exploitation of resources.

(2) It is important to enhance awareness of work safety and strengthen basic management, especially for Chinese enterprises in high-risk industries such as construction, mining and hazardous chemicals, which must take precautions to avoid work safety accidents.

(3) We should know the law and abide by it, not do anything against local laws and social morality, and be responsible for the image of the nation, the reputation and brand building of the enterprise, and the long-term friendly relations between China and Vietnam.

(4) We are concerned about the livelihood of the community and actively

participate in local charitable activities, including donating funds to build roads and bridges, constructing "houses of love" for the poor, providing scholarships, and collecting donations from disaster areas, in order to gain the recognition of the local people and the support of the government.

10.7 Know how to deal with the media

The media are a unique public resource in modern life and have an important social influence. Not only does the media widely disseminate knowledge and information and have an educational function, but media opinion has also become the main basis for the public to react and make choices about reality, influencing public decision-making and playing both positive and negative roles. Vietnam allows the use of influential public social platforms such as Facebook and Twitter. Chinese companies in Vietnam should know how to deal with the media.

(1) A normal information release system should be established and relevant information should be released to the media on a regular basis. Enterprises should focus on publicity and guidance, make good preparations and communicate with the public through the media when major mergers and acquisitions and socially sensitive issues are involved, especially when they encounter unfair public opinion pressure. If necessary, dominant messages can be disseminated to the media through PR consulting firms to guide the local media to

(c) To promote the enterprise in a favourable light.

(2) It can be opened to the media on a regular basis, and the media are welcome to visit and interview the enterprise to understand the real development of the enterprise, and to publicise and supervise the enterprise. In order to improve the public image of Chinese enterprises, it is important not to reject the media, let alone be rude to journalists, but to face the media with equality, trust, respect, sincerity and openness, and to form a harmonious relationship with the media with positive interaction.

10.8 Learning to deal with law enforcement

Police, industry and commerce, taxation, customs, labour inspection and other law enforcement agencies are the State administrative forces that maintain social order in Viet Nam. It is the duty of Vietnamese law enforcement officers to check the identity documents of residents and foreigners under their jurisdiction, inquire about relevant matters and search certain places, and relevant personnel of Chinese enterprises should be good at dealing with these officers and actively cooperate with them in the execution of their official duties.

(1) It is necessary to establish a sound management system that operates in accordance with the law, and to educate employees on the law, so that they can understand the legal knowledge and countermeasures necessary for working and living in Vietnam, and to be aware of the law and abide by it.

(2) Chinese personnel should carry their identity documents and temporary residence certificates with them when they go out. Important documents such as business licences and tax lists should be kept in a safe place. When encountering law enforcement officers checking their identity documents, they should not be overbearing, show their documents politely and answer questions truthfully. If you forget your documents, do not panic, identify yourself and contact the company as soon as possible.

(3) When encountering law enforcement officers inspecting companies or residences, they should ask for documents and search certificates and promptly report to the Chinese Embassy in Viet Nam. In cases where documents or property are confiscated by law enforcement officers, they should ask the officers to protect the

commercial secrets of Chinese enterprises; produce a confiscation note or a list of property as evidence and write down the police number and car number of the law enforcement officers; and ask the officers for a fine slip when they pay the fine.

(4) When encountering unfair treatment of Chinese personnel or Chinese enterprises by law enforcement officers, do not clash with them head-on, not to mention breaking the law, but respond rationally, be courteous, favourable and courteous, deal with them through lawyers and report to the Chinese Embassy in Vietnam in time to seek help and defend your legitimate rights and interests.

10.9 Dissemination of traditional Chinese culture

Chinese traditional culture is an important part of the world civilisation and will come into Vietnam as Chinese enterprises go global. Most people in Vietnam are very interested in traditional culture such as Chinese calligraphy, tai chi and literature. Chinese enterprises in Vietnam can make use of Chinese traditional holidays, Vietnamese traditional holidays and company annual meetings to organise performances of calligraphy, tai chi and other activities.

Vietnamese folklore is similar to that of China, including festivals such as the Lunar New Year, Lantern Festival and Mid-Autumn Festival. Displayed in the Vietnam History Museum

A large number of imperial edicts, inscriptions, ancient official documents and so on tell the story that Vietnam is the country in Southeast Asia that has been most influenced by ancient Chinese culture. Ancient Vietnamese people have left behind writings and physical written materials in Chinese characters, and modern Vietnamese residents have passed on these cultures. Therefore, from the North to the South, you can see the remains of the former use of Chinese characters by the local people everywhere.

China and Vietnam are linked by mountains and rivers, share the same culture and system, and the traditional friendship between the two peoples, which was built by the old revolutionaries such as Mao Zedong and Ho Chi Minh, has a long history. With the continuous development of political and economic relations between the two countries, frequent exchanges of people and increasingly close cultural exchanges, Chinese enterprises in the integration of the local community at the same time, the traditional Chinese culture will naturally be intermingled with the local culture of the Vietnamese nationalities, and reflecting. 2015, China has set up a Confucius Institute at the National University of Hanoi, Vietnam, which lays a good platform for the further dissemination of Chinese culture. According to incomplete statistics, there are more than 100,000 Chinese business people engaged in investment and trade operations in Vietnam, and in 2019, there were nearly 5.8 million Chinese travellers to Vietnam. Therefore, it is important to focus on promoting traditional Chinese culture when interacting with Vietnamese people. For example, since its establishment, the Vietnam China Chamber of Commerce has attached great importance to guiding enterprises to promote traditional Chinese culture, and the relevant practices are worth recommending. During major festivals, employees of Chinese and Vietnamese enterprises perform on the same stage and sing songs of friendship. The Chamber also focuses on charity work, and donates money and goods to the local community and poor areas every year. At present, ZTE, Huawei, Industrial and Commercial Bank of China, OPPO and other Chinese-funded enterprises in Vietnam, while realising their own business interests, also pay attention to the dissemination of traditional Chinese culture combined with the fulfilment of corporate social responsibility, and have achieved good results.

11. How Chinese enterprises/personnel can seek help in Viet Nam

11.1 Seeking legal protection

In Vietnam, Chinese enterprises should not only register and operate in accordance with the law, but also resolve disputes and defend their legitimate rights and interests through legal means when necessary.

Cases related to economic activities in Viet Nam are heard by the Economic Chamber of the General Court of the province (city) in which they are located. Enterprises can also resolve economic disputes through mediation courts and arbitration tribunals or the Arbitration Committee of the Vietnam Chamber of Commerce and Industry.

Due to the differences in the legal system and language, Chinese enterprises may hire local lawyers to handle related matters. For contact information of more reputable law firms and law firms willing to provide services to Chinese enterprises in Vietnam, please check the website of the Economic and Commercial Section of the Chinese Embassy in Vietnam.

Website: vn.mofcom.gov.cn

11.2 Seek help from local authorities

In the process of investment and co-operation in Vietnam, Chinese enterprises should establish regular contacts with local governments and promptly inform them of the development of their enterprises, reflect the problems they encounter and seek more support from the local governments. The central government departments in charge of foreign investment cooperation in Vietnam are the Ministry of Industry and Trade (website: www.moit.gov.vn) and the Ministry of Planning and Investment (website: www.mpi.gov.vn), and provincial-level departments of Industry and Trade and Planning and Investment.

11.3 Obtaining protection from the Chinese Embassy (Consulate) in the locality

When the legitimate rights and interests of Chinese citizens and legal persons are infringed upon in Vietnam, the Chinese Embassy (Consulate) in Vietnam, in accordance with the principles of international law, including international conventions, bilateral treaties or agreements, and the relevant laws of China and Vietnam, will, through diplomatic channels, reflect the relevant requirements and urge the relevant authorities of Vietnam to deal with them in a fair, legal, friendly and appropriate manner in order to protect the legitimate rights and interests of Chinese citizens and legal persons. The telephone number for consular protection of the Chinese Embassy in Vietnam is 0084-24-39331000, and in order to do a better job of consular protection and assistance, the telephone number for consular protection of the Chinese Embassy (Consulate) in Vietnam has been activated with the function of transferring to the hotline of 12308 of the Global Emergency Call Centre for Consular Protection and Service of the Ministry of Foreign Affairs of the People's Republic of China for free during non-working hours.

After registering in Vietnam, Chinese enterprises shall report to the Economic and Commercial Section of the Embassy (Consulate) for filing; they shall keep in touch with the Embassy (Consulate) in normal times; and in case of major problems and incidents, they shall report to the Embassy (Consulate) in time and obey the guidance and coordination of the Embassy (Consulate).

11.4 Establishment and activation of contingency plans

(1) Establishing emergency plans. When Chinese-funded enterprises invest and cooperate in Vietnam, they should objectively assess potential risks, set up an internal emergency warning mechanism in a targeted manner, and formulate a plan to cope with risks. They should educate their employees to strengthen their safety awareness, set up specialised personnel responsible for production safety and daily safety and security work, invest the necessary funds to purchase safety equipment, and insure their employees.

(2) Take emergency measures. In case of sudden natural disasters or man-made events, the emergency plan should be activated in a timely manner in order to minimise the damage. In case of fire and injury, local fire alarms and ambulance calls should be made in a timely manner; after that, immediately report to the Chinese Embassy in Vietnam and the head office of the enterprise in China.

(3) Maintain communication with local public security departments. In order to protect the safety of enterprise personnel and property, regular communication should be maintained with local public security departments.

Local emergency numbers: Police 113, Fire 114, First Aid 115, Dialling Desk 1080.

11.5 Other response measures

Chinese enterprises can also seek help from the Vietnam China Chamber of Commerce (VCCC) and its chapters when they encounter difficulties in carrying out economic and trade co-operation in Vietnam. At present, there are about 1,000 Chinese students and advanced students studying in Vietnam. In case of difficulties such as language barrier, Chinese students in Vietnam can be referred by the Cultural Section of the Chinese Embassy in Vietnam or the Vietnam China Chamber of Commerce for translation assistance.

12. Policy measures for the prevention and control of the New Crown Pneumonia epidemic and economic recovery in Viet Nam

12.1 Status of the New Crown Pneumonia Outbreak

According to the official statistics of the Ministry of Health of Viet Nam, as of the end of June 2022, a total of 10,746,000 cases of neocoronavirus pneumonia have been diagnosed in Viet Nam, with 43,000 deaths and a mortality rate of 0.4 per cent. A total of 262 million doses of the new crown vaccine have been administered in Vietnam, with the proportion of people aged 18 and above receiving three and four shots reaching 83.2 per cent and 78.9 per cent. According to WHO statistics, as of 31 December 2022, Viet Nam had a cumulative total of 11,523,567 cases of neo-coronavirus infection and a cumulative total of 43,181 deaths, with 272.36 doses of vaccine per 100 people, a full basic immunisation rate of 87.89 per cent and a booster immunisation rate of 59 per cent.

[Epidemic and vaccination situation] Since the outbreak of neocoronavirus pneumonia in early 2020, Viet Nam has implemented a resolute zero-zero policy, which has effectively prevented the spread of the epidemic during 2020 and basically achieved the goal of zero local infection. However, after entering the second quarter of 2021, due to the increased contagiousness of the neococcal mutated virus, the zero clearance policy has caused serious impacts on the production and operation of enterprises in the northern industrial towns of Bac Giang and Bac Ninh, and in the southern economic zone centred on Ho Chi Minh City, with disruptions in the supply chain of some industries, obstruction of logistics and transportation, and an outflow of export orders. A large number of enterprises ceased production and withdrew from the market, people's livelihoods were difficult, the economy slipped significantly, and unemployment was prominent.²⁰²¹ In the first half of the year, Vietnam's GDP grew by 5.64 per cent year-on-year, but it slipped by 6.17 per cent year-on-year in the third quarter, resulting in a growth of only 1.42 per cent in the first three quarters, which was the lowest point. In response to economic and social pressures, the Vietnamese government changed its anti-epidemic strategy in early October 2021, relaxing social quarantine and accelerating the resumption of work and production. The Vietnamese economy rebounded in the fourth

quarter, with GDP growth of 2.58 per cent for the year.

Entering 2022, Vietnam has adjusted its epidemic prevention and control policies in a timely manner, lifted social closures, and adopted a package of initiatives to accelerate vaccination and strongly support economic recovery, which has maintained social stability and people's well-being as well as effectively stimulated economic potential. Vietnam has become one of the countries with the highest vaccination rate per capita in the world, and GDP growth in the first three quarters of 2022 reached 8.83 per cent, and is expected to reach around 8 per cent for the whole year, making it one of the fastest growing economies in the region and the world.

However, it is important to note that although Vietnam has not experienced widespread medical runs and deaths thanks to the extremely high vaccination rate, the risk of a resurgence of the new crown epidemic cannot be ignored. Due to Vietnam's weak medical resources (8 healthcare workers per 10,000 people), the opening up of society at any time to face a variety of new variations of the virus continues to attack, resulting in Vietnam's Ministry of Health Department of Epidemiological Prevention is always in a high-pressure situation, coupled with low treatment of healthcare workers, a large number of healthcare workers overwhelmed by the burden and forced to resign. According to the Ministry of Health, in the first half of 2022 alone, more than 10,000 healthcare workers resigned from the public healthcare system, making the operation of the healthcare system more and more difficult. In addition, the incidence of other infectious diseases in Viet Nam has risen sharply since 2022 due to a decline in the population's immunity as a result of repeated infections from the CKP outbreak, with the incidence of dengue fever, meningitis B, and cholera rising by more than 100 per cent year-on-year, further aggravating the pressure on the healthcare system.

12.2 Epidemic prevention and control measures

After the first three rounds of outbreaks, the Vietnamese government implemented social isolation and the "5K" policy (i.e., wearing masks, disinfection, maintaining social distance, not congregating, and health declarations), which achieved certain results, and the outbreaks were better controlled, and the economy and society remained basically stable.²⁰²¹ At the end of April 2021, a fourth round of outbreaks occurred in Vietnam, and the government continued the response to the first three rounds of outbreaks. The Vietnamese government continued its response to the previous three rounds of outbreaks, but the lax implementation of social quarantine and the "5K Principle", with many loopholes, led to the rapid spread of the virus to all provinces and cities in the country from the north to the south, resulting in an out-of-control outbreak, which caused heavy damage to the key economic zone in the south of the country, centred on Ho Chi Minh City.

In the critical situation of the epidemic, in early July 2021, the Vietnamese government further intensified its prevention and control efforts, in accordance with the "5K+Vaccine

+The policy of "treatment, technology and awareness-raising" has been implemented by imposing strict social isolation and blockade of infected areas, restricting the movement of people, and successively blockading a number of industrial zones in Ho Chi Minh City, Binh Duong, Dong Nai, Long An, Tien Giang and other provinces and cities, and sealing off the city of Ho Chi Minh City for more than four months.

Since early October 2021, the Vietnamese government has been forced by economic and social pressures to adjust its prevention and control goal from "zeroing out the virus" to "living with the virus", allowing localities to unseal themselves from the epidemic in order to adapt to the "new normal". "The new normal. At present, Viet Nam has cancelled the "5K" policy and other kinds of anti-epidemic policies, completely restored the movement of people before the epidemic, and cancelled all quarantine and surveillance measures for people entering the country. As a result, Viet Nam will continue to be exposed to various variations of viruses, and the risk of epidemics cannot be ignored.

12.3 Economic policy in the post epidemic period

Firstly, production and business expenses have been reduced. The Ministry of Industry and Trade has formulated an electricity support programme totalling VND 8 trillion (about US\$ 340 million) to reduce the price of electricity for the manufacturing sector by about 10 per cent; the Ministry of Transport has instructed the Viet Nam Airports Corporation to reduce the price of electricity for the manufacturing sector by about 10 per cent.

(ACV) for all airlines from 1 March to the end of August 2021; promised not to raise the prices of raw materials required for production by enterprises priced by the state in the first and second quarters; significantly reduced the fees for business registration, business information disclosure, and postal permit assessment; the Ministry of Finance verified and revised the fees related to a number of industries, including resources and environment, transportation, construction, and culture and tourism; waived import taxes on import tax exemptions on materials used for epidemic prevention; taking regulatory measures to keep inflation below 4 per cent and strictly regulating the prices of necessities that have a large impact on the CPI, such as petrol, agricultural products and food.

Second, credit support and exchange rate management. Since the outbreak of the epidemic, the State Bank of Vietnam has issued a series of credit support policies, including a 0.5-1 percentage point reduction in the refinancing rate, the rediscount rate and other interest rates, and a 0.25-0.3 percentage point reduction in the time deposit interest rate; a 50 per cent reduction in the transaction fee for inter-bank e-payments from 1 April to 31 December 2021; and a reduction in the old and new lending rates by commercial banks in accordance with the State Bank's requirements interest rates by up to 2 percentage points.

Credit institutions restructured nearly VND130 trillion (US\$5.57 billion) in loans for more than 215,000 customers and

Deferred repayment; lowered interest rates on about VND108 trillion (\$46.2 billion) in loans for 260,000 customers; and VND630 trillion (\$27 billion) in loans for 182,000 customers from 23 January 2021, with interest rates on the loans lowered by 0.5-2.5 percentage points compared to before the outbreak.

The exchange rate and the foreign exchange market were basically stable, with the exchange rate fluctuating within a range of 1.3-1.5 per cent over a period of more than four months, and legitimate foreign exchange needs were fully met in a timely manner.

Thirdly, fiscal policy support. The Ministry of Finance of Viet Nam has submitted to the Government draft resolution No. 41 on allowing extension of tax and land rent payment for epidemic-affected targets, pushing back the deadline for payment of value-added tax (VAT) and income tax for enterprises, production and business entities and self-employed persons by five months, as well as the deadline for payment of land rent for enterprises and individuals by five months. According to the draft resolution, about 740,000 enterprises (98 per cent of currently operating enterprises) will benefit from the programme, involving an amount of about VND180 trillion (about US\$7.7 billion).

The Ministry of Finance has also exempted import taxes on medical equipment supplies used to prevent and control epidemics; and suggested that the Government revise import and export tax rates to help enterprises in the footwear, textile, agricultural processing, machinery, agriculture and automotive industries tide over difficulties, which will reduce the import and export taxes that enterprises have to bear by about VND6 trillion (about \$260 million).

The Ministry of Finance has proposed to the National Assembly a new income tax policy from 1 July 2020 for micro and small enterprises. This new policy would apply a tax rate of 15-17 per cent depending on turnover and the number of employees, and would exempt them from corporate income tax for two consecutive years from the date of revenue generation. The policy will benefit 700,000 enterprises, or about 93 per cent of the total number of operating enterprises in the country, and reduce the taxes they will have to pay in 2020 by VND7.8 trillion (about \$330 million).

The Ministry of Finance has also submitted to the National Assembly Standing Committee a proposal to raise the personal income tax threshold, which is expected to

increase from VND9 million to VND11 million per month. Under the programme, about 6.8 million people will benefit, of which about 1 million will not have to pay personal income tax, involving an amount of about VND10.3 trillion (\$440 million).

In November 2021, Vietnam launched a special investment incentive programme to attract foreign investment projects to accelerate their establishment in the country by offering preferential corporate income tax rates, land and water rental exemptions for projects that meet the conditions. The programme covers project categories such as high-tech, supply chain and technology transfer.²⁰²² In June 2022, the Vietnamese government approved the Foreign Investment Cooperation Strategy 2021-2030, which aims to improve the competitiveness of investment attraction, enhance the quality of projects, and strengthen high-tech and innovative development.

12.4 Specialised anti-epidemic support policies for foreign-invested enterprises

The Vietnamese government has not yet introduced separate support policies for foreign-invested enterprises, but domestic support policies are applicable to foreign-invested enterprises.

12.5 Special tips for Chinese enterprises

First, we should strengthen the awareness of risk prevention and personnel management. Pay close attention to the dynamics of local epidemics and investigate risks and hidden dangers in a timely manner. Pay attention to popularise the knowledge of infectious disease prevention and control, strengthen the staff's awareness of epidemic prevention, and strictly implement the travel reporting system. Timely tracking of the physical condition of the staff, guidance to the staff of scientific and appropriate amount of physical exercise, regular rest and relaxation, to enhance physical fitness and immunity, and try to avoid going to crowded places of activity.

Secondly, all epidemic prevention and control measures should be strictly implemented. Maintain environmental hygiene in production and living areas, and regularly disinfect and sterilise working and living places such as factories, project departments, construction sites, canteens and dormitories.

Thirdly, it has done a good job of guaranteeing the reserve of living and medical materials and improved the emergency plan for epidemic prevention and control. They will maintain hotline contact with local hospitals and health and epidemic prevention departments, report to the domestic sending departments and embassies (consulates) in the first instance if there are any emergencies such as infections, and do their best to diagnose and treat people in accordance with the requirements of the local epidemic prevention and control.

Appendix 1 List of Government Departments and Related Agencies in Viet Nam

(1) Dept. of State

Address: SO 1, TON THAT DAM, HN

Tel: 0084-24-37992220

Fax: 0084-24-38231872, 37992682

Website: www.mofa.gov.vn

(2) Ministry of Justice (PRC etc)

Address: SO 58-60 TRAN PHU, HN

Tel: 0084-24-62739718

Fax: 0084-24-62739359

Website: www.moj.gov.vn

(3) Ministry of Finance

Address: SO 28 TRAN HUNG DAO, HN

Tel: 0084-24-22202828

Fax: 0084-24-22208091

Website: www.mof.gov.vn

(4) Ministry of Industry and Trade

Address: SO 54 HAI BA TRUNG, HN

Tel: 0084-24-22202108

Fax: 0084-24-22202525

Website: www.moit.gov.vn

(5) Ministry of Labour, Wounded Warriors and Social Affairs

Address: SO 12, NGO QUYEN, HN

Tel: 0084-24-62703645

Fax: 0084-24-62703609

Website: www.molisa.gov.vn

(6) PRC Ministry of Transport (MOT)

Address: SO 80, TRAN HUNG DAO,

HN Tel: 0084-24-39424015, 39413201

Fax: 0084-24-39423291, 39422386

Website: www.mt.gov.vn

(7) Ministry of Construction

Address: SO 37, LE DAI HANH, HN

Tel: 0084-24-38215137, 39760271

Fax: 0084-24-39762153

Website: www.xaydung.gov.vn

(8) Ministry of Communications and Media

Address: SO 18, NGUYEN DU, HN

Tel: 0084-24-39437097

Fax: 0084-24-38260477

Website: www.mic.gov.vn

(9) Ministry of Agriculture and Rural Development

Address: SO 2, NGOC HA, HN

Tel: 0084-24-34592999

Fax: 0084-24-34592888

Website: www.mard.gov.vn

(10) Programme and Investment Department

Address: SO 6B, HOANG DIEU, HN

Tel: 0084-24-38455298

Fax: 0084-24-38234453

Website: www.mpi.gov.vn

(11) health department

Address: SO 138A, GIANG VO, HN

Tel: 0084-24-32732273

Fax: 0084-24-38464051

Website: www.moh.gov.vn

(12) Ministry of Science and Technology

Address: SO113, TRAN DUY HUNG, HN

Tel: 0084-24-39438970

Fax: 0084-24-39439733

Website: www.most.gov.vn

(13) Ministry of Environmental Resources

Address: SO 10, TON THAT THUYET, HN

Tel: 0084-24-37956868

Fax: 0084-24-38359221

Website: www.monre.gov.vn

(14) national banking

Address: SO 49, LY THAI TO, HN

Tel: 0084-24-38254845

Fax: 0084-24-39349569

Website: www.sbv.gov.vn

(15) Office of the Government of Viet Nam

Address: SO 16, LE HONG PHONG, HN

Tel: 0084-24-08043162

Fax: 0084-24-08048924

Website: vpcp.chinhphu.vn

Appendix 2 Information on Vietnamese Chinese Chambers of Commerce, Associations and Major Chinese Enterprises

1. Vietnamese Chinese Chambers of Commerce, Associations

(1) Vietnam China Chamber of Commerce

Address: Business Centre, M Floor, Hanoi Hotel, D8 Lian Wu Road, Ba Dinh District, Hanoi, Vietnam

Tầng M khu Trung tâm thương mại Khách sạn Hà Nội, số D8 đường Giảng Võ Quận Ba Đình, Hà Nội, Việt Nam

Tel: 0084-24-37368950

Fax: 0084-24-37368951

E-mail: vietchina@qq.com

(2) Vietnam China Chamber of Commerce, Ho Chi Minh City Branch

Address: 12/F, CIENCO4 Office Building, 180 Nguyen Thi Minh Khai Street, Ward 6, District 3, Ho Chi Minh City

Tầng 12, Tòa nhà cao ốc văn phòng CIENCO4, 180 Nguyễn Thị Minh Khai, phường 6, quận 3, TP.HCM

Tel: 0084-28-62641027

Fax: 0084-28-62641029

E-mail: cbah110@cbah.org.vn

(3) Vietnam China Chamber of Commerce Quang Ninh Branch

Address: A160-162 Halong Park Commercial Street, Bai Chai District, Halong City, Quang Ninh Province, Vietnam

A160/161/162 Khu phố Công Viên Hạ Long, Bãi Cháy, TP Hạ Long, Quảng Ninh

Tel: 0084-20-3648089

Fax: 0084-20-3648188

E-mail: 77121462@qq.com

(4) Vietnam China Chamber of Commerce Hai Phong Branch

Address: No. 95 Gipu Road, Gipu Place, Hai An District, Hai Phong, Vietnam

95 Cát Bi - Hải An - TP Hải Phòng Việt Nam

Tel: 0084-865721511

E-mail: vnhpshanghui@foxmail.com

(5) Vietnam China Chamber of Commerce Yunnan Enterprise Association

Address: 15th Floor, HAPULICO Comprehensive Centre Building, 1 Nguyen Huy Thi Thang Road, Youth Central Place, Youth District, Hanoi, Vietnam

Tầng 15, Centre Building, Hapulico complex, số 1 Nguyễn Huy Tưởng, P.Thanh Xuân Trung, Q.Thanh Xuân, Hà Nội

Tel: 0084-24-37832556

Fax: 0084-24-37832559

E-mail: 76865194@qq.com

(6) Vietnam China Chamber of Commerce Hunan Enterprise Association

Address: 57 Nong Ha Road, Success Place, Ba Dinh District, Hanoi, Vietnam

Số 57 Láng Hạ, Thành Công, Ba Đình, Hà Nội, Việt Nam

Tel: 0084-915645849

E-mail: 418427601@qq.com

(7) Vietnam China Chamber of Commerce Fujian Enterprise Confederation

Address: 117-119-121 Rim Belt Middle Road, B Square, Binh Thi Dong, Binh Tan District, Ho Chi Minh City, Vietnam

117-119-121 Vành Đai Trong, Phường Bình Trị Đông B, Quận Bình Tân, Tp.HCM

Tel: 0084-28-62703555

Fax: 0084-28-73048880

E-mail: cbafjvn@163.com

(8) Vietnam China Chamber of Commerce Guangdong Enterprises Association

Address: 20.03, 20th Floor, The Flemington Tower, 182 Le Dai Hang Street, Ward 15,

District 11, Ho Chi Minh City, Vietnam.

family or clan

Phòng 20.03, Lầu 20, Tòa nhà Flemington, 182 Lê Đại Hành, P.15, Q.11, TP.HCM, Việt ệt
Nam

Tel: 0084-28-6679 1332

E-mail: gdbav@qq.com

(9) Vietnam China Chamber of Commerce Shandong Enterprises Association

Address: 17th Floor, Vietcombank Building, Moo Leng Site, Ngoc Buu Phong, No. 5,
District 1, Ho Chi Minh City, Vietnam

Tầng 17, Vietcombank Tower, số 5 Đường Công Trường Mê Linh, P.B ến Nghé, Qu ận 1,
Đường Công Trường Mê Linh, P.B ến Nghé, Đường Công Trường Mê Linh

TP.HCM, Việt Nam

Tel: 0084-903755258

E-mail: Vinasd@126.com

(10) Vietnam China Chamber of Commerce Zhejiang Enterprises Association

Address: 119-121, Ward 10, District 6, Ho Chi Minh City, Vietnam

Số 119-121 Song Hành, P.10, Q.6, TP.HCM, Việt Nam

Tel: 0084-28-3-7554995

Fax: 0084-28-3-7554981

E-mail: vnzjsh@126.com

(11) Vietnam China Chamber of Commerce Sichuan and Chongqing Enterprises
Association

Address: Block A, Viet Hoang Industrial Zone, Thuan An District, Binh Duong
Province, Vietnam

Lô A, KCN Việt Hương, Thuận An, Bình Dương

Tel: 0084-274-3800717

Fax: 0084-274-3800716

E-mail: cy_vina@163.com

(12) Vietnam China Chamber of Commerce Guangxi Enterprise Federation

Address: Room 1601, SAHUL Hotel, 684 Minh Khai Road, Hanoi, Vietnam

P1601 HANOI SAHUL HOTEL, 684 Minh Khai, Hai Bà Trưng, Hà Nội

Tel/Fax: 0084-24-39879288

E-mail: vinagx@gmail.com

(13) Vietnam China Chamber of

Commerce Photovoltaic Industry

Association Address: Vung

Truong Industrial Zone, Bac Giang

Province, Vietnam

KCN Vân Trung, tỉnh Bắc Giang, Việt Nam

Tel: 0084-832461999

E-mail: vinasolar001@163.com

(14) Vietnam China Chamber of Commerce Medical and Healthcare Industry
Association

Address: 5/F, Shenglong Jinqi Building, No. 1 Leong An Road, Bai Teng Phong, Di
Zhengwu County, Hanoi, Vietnam

Tầng 5 Tòa nhà kim khí Thăng Long, số 1 Lương Yên, P.Bạch Đằng, Q.Hai Bà Trưng,
tp.Hà Nội

Tel: 0084-365447401

E-mail: bacvyl@qq.com

(15) Vietnam China Chamber of Commerce Anhui Enterprise Association

Address: 17th Floor, MH Building, 728-730 Vu Van Gieu Road, 1st

Place, District 5, Ho Chi Minh City, Vietnam Lầu 17, Tòa Nhà MH,

728 -730, Võ Văn Kiệt, Phường 1, Quận 5, TPHCM

Tel: 0084-907159568

E-mail: iriswu6688@gmail.com

(16) Vietnam China Chamber of Commerce, Henan Enterprises Association

Address: 13 Quoc Road, District 3, Phu Thu Phong, Tu Long Mu City, Binh Duong
Province, Vietnam

Số 13, Quốc Lộ 13, phường Phú Th ợ, thành ph ố Thủ Dầu Một, Bình Dương, Việt Nam

Tel: 0084-274-3860670

Fax: 0084-274-3628559

E-mail: yushanghuivn@163.com

(17) Vietnam China Chamber of Commerce Jiangxi Enterprises Association

Address: 105 Beconsi Apartment, D1 Road, Phu Hoa District, Phu Hoa Place, Tu Long Mu City, Binh Duong Province, Vietnam

Số 105 chung cư Bicons, Đường D1, Khu dân cư Phú Hoà, Phường Phú Hoà, Tp Thủ Dầu Một, Tỉnh Bình Dương, Việt Nam

Tel: 0084-907788183

E-mail: lienthong@qq.com

(18) Vietnam China Chamber of Commerce Hubei Enterprise Association

Address: CC03-B, 6 Ly Tai Cho Street, Ninh Ha Phong, Bac Ninh City, Vietnam - Opposite to DABACO Supermarket, Bac Ninh City Centre

Số 6, CC03 -B, Đường Lý Thái Tổ, Phường Ninh Xá, Thành Phố Bắc Ninh - Đối diện siêu thị DABACO trung tâm Thành Phố Bắc Ninh

Tel: 0084-2223906630

E-mail: vietchinahubei@163.com

(19) Taiwan Chamber of Commerce in Vietnam

Address: Room CR2-15, 107 Ton Dat Tien Road, Tan

Phuoc Commune, District 7, Ho Chi Minh City Tel:

0084-28-5413 8348

Fax: 0084-28-5413 8349

Website:

www.ctcvn.vn 电邮:

ctcvn@ctcvn.vn

(20) Hong Kong Chamber of Commerce in Vietnam

Address: Room 1203A, 12/F, Zen Plaza Business Centre, 54-56

Nguyen Chi Road, District 1, Ho Chi Minh City Tel: 0084-28-3520

8668

Website: www.hkbav.org

2. Major Chinese enterprises

(1) Industrial and Commercial Bank of China Limited Hanoi Branch

Address: 3rd Floor, Daewoo Business Centre, 360

Kim Mar Road, Ba Dinh District, Hanoi Tel: 0084-
24-62698888

Fax: 0084-24-62699800

(2) Huawei Technologies (Vietnam) Co.

Address: 21st Floor, Charm Vit Tower, 117 Tran

Vai Hinh Road, Hanoi Tel: 0084-24-35538000

Fax: 0084-24-35537169

(3) Shenzhen-Vietnam Joint Investment Co.

Address: Anyang Industrial Zone,

Hongfeng Township, Anyang County,

Hai Phong City Tel: 0084- 225-8660086

Fax: 0084-225-8660086

(4) China China Railway Sixth Bureau

Group Corporation Vietnam Office Address:

150 Tran Phuoc Road, Mu Lao Phong, Ha

Dong County, Hanoi City

Tel: 0084-24-37194955

Fax: 0084-24-37183333

(5) Bank of Communications Co., Ltd,

Ho Chi Minh City Branch Address: 47 Ly

Tzu Chong Road, District 1, Ho Chi Minh

City

Tel: 0084-28-39369988

Fax: 0084-28-39369966

(6) Rainbow Silver Dragon Technology Co.

Address: Hai An Industrial

Zone, Mang Cai, Quang Ninh

Province Tel: 0084-203-

3781601

(7) Rainbow Inze Textile Co.

Address: Inze 5 Industrial Zone,

Inze District, Dong Nai Province

Tel: 0084-251-3569086

Fax: 0084-251-3569087

(8) Long Jiang Industrial Park

Development Co Ltd Address: Tan

Lap 1 Commune, Tan Phuoc

District, Tien Giang Province

Tel: 0084-273-3849888

Fax: 0084-273-3642722

(9) Vietnam Suzaka Export

Processing Zone Co., Ltd Address:

Suzaka Ward, Mo Duc District, Ho

Chi Minh City

Tel: 0084-28-38962356

Fax: 0084-28-38962350

(10) Shanghai Electric Vietnam Co.

Address: Room 2502, 25th floor, M3M4 Building,

91A Nguyen Chi Thanh Road, Hanoi Tel: 0084-24-

62751018/118

Fax: 0084-24-62751017

(11) China China Railway Sixth Bureau Group Co.

Address: 23F, ICON 4 Building, 243A Luoc Thanh Cuy

Street, Nong Thoi Phong, Dong Do District, Hanoi Tel:

0084-24-62917475

Fax: 0084-24-37183333

(12) ZTE Vietnam Ltd.

Address: 17th Floor, Ladeco Building, No. 266 Tuan

Bong, Lieu Street Quarter, Ba Dinh District, Hanoi Tel:

0084-24-62721818

Fax: 0084-24-62722636

(13) China Construction Bank, Ho Chi Minh City Branch

Address: Room 1105 - 1106, 11th Floor, Sailing Tower, 111A Pasteur Road,

District 1, Ho Chi Minh City Tel: 0084-28-38295533 (0084-28-38270322)

Fax: 0084-28-38275533

The Guide to Countries (Regions) for Outward Investment Co-operation (Vietnam) provides an objective introduction to the investment and co-operation environment, which is a common concern for Chinese enterprises, especially small and medium-sized enterprises (SMEs), when conducting investment and co-operation business in Vietnam, and also gives tips on various problems that may arise when Chinese enterprises go to Vietnam to conduct business. It is hoped that this Guidebook can be an introductory guide for Chinese enterprises to enter Vietnam. However, due to the limited space and the different information required by different investors, the information provided in this Guidebook is only for the readers' reference and is not to be regarded as the basis for investment decision-making by enterprises.

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author

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