

Name: Circular No. 03-TM-DT Guiding the Implementation of Chapter VII of Decree No. 18 Concerning the Business Organization of Enterprises With Foreign Capital Investment.
Agency: Ministry of Commerce.
Date: July 2, 1993.
Details:

This Circular outlines import/export procedural requirements for BCCs and foreign invested enterprises. In particular, the Circular addresses three issues.

1. *Registration of Import/Export Authority.* No more than 90 days after receiving its investment or business license, the enterprise must register its import/export activities with the Ministry of Commerce so that the Ministry can confirm that the enterprise has import/export authority. To register, the enterprise must submit a registration form and a copy of its investment or business license.
2. *Import Plan.* The enterprise must prepare an import plan for all goods to be used in the construction of the enterprise, plus an import plan for the raw materials, equipment and replacement parts to be imported for use in production.
3. *Issuance of Import/Export Licenses.* When an enterprise has goods for import or export, it must approach the Import/Export License Issuing Offices of the Ministry of Commerce to obtain the relevant licenses. The application must include the original approval documents from the Ministry for the import plan, copies of the investment or business license and a list of goods to be imported or exported.

1.11.2 Export Processing Zones

Name: Decree No. 322-HDBT Concerning the Establishment of Export Processing Zones (EPZs).
Agency: Government.
Date: October 18, 1991.
Details:

EPZs are Government-established centres of production for export. Within an EPZ, investors may engage in the manufacturing, subcontracting, and assembly of export products. Investors may also provide services for such operations.

Goods produced must be salable in foreign markets and use mostly Vietnamese labour. Further, the production of such goods cannot damage the environment.

Enterprises in EPZs must be established as limited liability companies, and have the status of a juridical person. (With this status, the enterprises are subject to the same dispute resolution legislation as for enterprises outside of the zones.)

Production-oriented enterprises in EPZs are eligible for a 4 year profit tax exemption, while service-oriented enterprises may be exempted for 2 years. After these periods, the enterprises are subject to profit taxes of 10% and 15% respectively.

Goods imported to produce export goods are exempt from import duties. Similarly, goods exported from zones pay no export tax.

At present, there are three EPZs in Vietnam, all located in Ho Chi Minh City. These are the Saigon EPZ, the Tan Thuan Corporation and the Linh Trung EPZ. Several more EPZs are in the planning stages.