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LAW BULLETIN

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V U T H I T H U H A

MANAGING PARTNER – ATS LAW FIRM



— WELCOME —

WORDS FROM MANAGING PARTNER

We are committed to providing an effective, reliable and responsive service to each of our clients.

Our approach is client-focused, solution-oriented and innovative. We have a dedicated and experienced team providing a comprehensive range of services to meet the needs of our clients.

We strive to do whatever it takes in order to resolve the legal issues that face clients, allowing them to minimize administrative overheads and focus on their core business activities.

ASSOCIATION – TRUST – SUCCESS

At ATS Law Firm, our deeds reflect our creed – to provide the very best professional legal services, and to gain and maintain our clients' trust and satisfaction

To become a top-level legal services provider on domestic and international matters, we have formed associations with many local, national and international organizations to exchange knowledge, experience and skills.

We pride ourselves on our ability to build client trust and support them in navigating applicable laws. We have a very high rate of success in accomplishing our clients' objectives, consistently exceeding expectations.

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Conditions for participating in an auction of land use rights

Decree No. 10/2023/ND-CP amending and supplementing a number of decrees guiding the implementation of the Land Law, was issued on April 03, 2023, by the Government.

Accordingly, to additionally provide new provisions on conditions and criteria for changing the use purpose of land for rice cultivation, protection forests, and special-use forests to other purposes for investment project implementation. Specifically, having an investment project of which the investment policy is approved or having been granted with an investment registration certificate; being compliant with the district-level land use master plan or investment project included in the approved district-level annual land use master plan; conducting preliminary environmental impact assessment and environmental impact assessment in accordance with the law on environmental protection (if any).

In addition to the above conditions, it is required to:

- Have a plan on planting of replacement forests or a document on fulfillment of the obligation to pay for planting of replacement forests in accordance with the law on forestry, for the cases of changing the use purpose of land for protection forests and land for special-use forests to other purposes;
- Have a plan to use the topsoil, and a document on fulfillment of the obligation to pay for protection and development of paddy land in accordance with the law on cultivation, for the cases of changing the use purpose of paddy land to other purposes.

This Decree takes effect from May 20, 2023.

➤ [Decree No. 10/2023/ND-CP](#)





Guidance for grant loans for purchasing social houses of 8.2%

The State Bank of Vietnam guides the policy to grant loans for purchasing social houses and houses for workers prescribed in the Official Dispatch No. 2308/NHNN-TD dated April 01, 2023.

In accordance with Resolution No. 33/NQ-CP, the State Bank of Vietnam proposing a credit program of about VND 120,000 billion to grant loans for investors and home buyers of social housing and worker housing projects with interest rates of about 1.5 - 2% lower than the average mid-term and long-term VND lending interest rate set by state-owned commercial banks. Accordingly, the State Bank of Vietnam has some guidance in purchasing social houses and houses for workers as follows:

(i) Regarding eligible borrowers: Legal entities, persons investing in projects and buying houses of social housing projects, projects of workers' houses, and projects of renovation and

rebuilding of old apartment buildings in the list of projects announced by the Ministry of Construction according to regulations, including:

- Customers who are investors;
- Customers who are buyers of houses or projects.

(ii) Regarding lending principles: Customers must satisfy conditions for entitlement of policies on supporting social houses and workers' houses, in accordance with laws and the Ministry of Construction's guiding documents; satisfy conditions for capital borrowing as prescribed by laws;

(iii) Implementation period: The time limit for disbursement of the Program is the time the disbursed turnover reaches VND 120,000 billion, but not later than December 31, 2030.

➤ [Official Dispatch No. 2308/NHNN-TD](#)

FINANCE – BANKING

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Interest rate on deposits in VND of the People's Credit Fund at the State Bank of Vietnam is 0.5%/year

Decision No. 578/QD-NHNN comes into force from April 03, 2023 and supersedes the Decision No. 1350/QD-NHNN dated August 06, 2020 of the Governor of the State Bank of Vietnam prescribing interest rates of deposits in Vietnamese Dong made by Vietnam Development Bank, Vietnam Bank for Social Policies, people's credit funds and microfinance institutions at the State Bank of Vietnam.

Accordingly, interest rates of deposits in Vietnamese Dong (VND) made by the Vietnam Development Bank, Vietnam Bank for Social Policies, people's credit funds, and microfinance institutions at the State Bank of Vietnam are as follows:

- The interest rate of deposits made by Vietnam Development Bank: 0,5%/year;

- The interest rate of deposits made by Vietnam Bank for Social Policies: 0,5%/year;
- The interest rate of deposits made by people's credit funds: 0,5%/year;
- The interest rate of microfinance institutions' deposits is 0.5 %/year.

The Chief of Office, the Director of the Monetary Policy Department, Heads of units affiliated to the State Bank of Vietnam, Vietnam Development Bank, Vietnam Bank for Social Policies, people's credit funds and microfinance institutions are responsible for the implementation of this Decision.

➤ [Decision No. 578/QD-NHNN](#)





Reduce maximum short-term loan interest rates in VND

On March 31, 2023, the State Bank of Vietnam issued Decision No. 576/QD-NHNN on the maximum short-term loan interest rate in Vietnamese Dong of credit institutions and foreign bank branches for borrowers to meet the capital demand in service of a number of economic sectors and industries as prescribed in Circular No. 39/2016/TT-NHNN dated December 30, 2016.

Accordingly, the maximum short-term loan interest rate in VND as prescribed in Clause 2 Article 13 of Circular No. 39/2016/TT-NHNN is defined as follows:

- Firstly, credit institutions and foreign bank branches (except for people's credit funds and microfinance institutions) shall apply the maximum short-term loan interest rate in VND, which is 4.5% per annum, instead of 5.0% per annum as in previous regulations;

- Secondly, people's credit funds and microfinance institutions shall apply the maximum short-term loan interest rate in VND, which is 5.5% per annum (the applicable interest rate is 6.0 per annum).

The interest rate applied to credit contracts and loan agreements signed before the effective date of this Decision shall continue to be implemented under the signed credit contracts and loan agreements in accordance with law regulations at the time of contract and agreement signing.

This Decision takes effect on April 03, 2023.

➤ [Decision No. 576/QD-NHNN](#)

Extend business households' personal income tax payment deadlines until December 30

On April 14, 2023, the Government issues Decree No. 12/2023/ND-CP on extension of deadlines for payment of value-added tax, enterprise income tax, personal income tax and land rental in 2023.

Accordingly, 04 groups of subjects entitled to extension of deadlines for payment of value-added tax, enterprise income tax, personal income tax and land rental include:

- Enterprises, organizations, households, business households and individuals conducting production activities in the following economic sectors: Agriculture, forestry and fisheries; Foodstuff production or processing; Construction; Publication activities; Exploitation of crude oil and natural gas; Manufacture of beverages; Printing; Drainage and treatment of wastewater, etc.;

- Enterprises, organizations, households, business households and individuals conducting business activities in transportation and warehousing; accommodation and catering services; education and training; medical and social assistance activities; real estate business; creation, art and recreation, etc.;
- Enterprises, organizations, households, business households and individuals engaged in production of supporting industry products prioritized for development; key mechanical products;
- Small- and micro-sized enterprises.

This Decree takes effect from the date of its signing to the end of December 31, 2023.

▶ [Decree No. 12/2023/ND-CP](#)





Plan of Action for Strategy for foreign investment cooperation in the 2021-2030 period

On March 28, 2023, the Prime Minister promulgated the Decision No. 308/QĐ-TTg approving the Plan of Action to implement the Strategy for foreign investment cooperation in the 2021-2030 period. Accordingly, ministries, ministerial-level agencies, government-attached agencies and provincial-level People's Committees shall formulate plans and organize the performance of activities and tasks as assigned; and urgently submit to competent authorities for promulgation, review, amendment and supplementation relevant legal documents. Specifically, the Ministry of Planning and Investment shall:

- Submit the project of (amending) Law on Bidding in 2022 – 2023;
- Decree detailing and guiding the implementation of a number of article of (amending) Law on Bidding in 2023;

- Formulate a Plan of Action to implement the National Program on strengthening the labor productivity to 2030 within 2023 – 2024; etc.

Additionally, in 2023, the Ministry of Finance shall submit the competent authority the Decree amending and supplementing Decree 08/2015/ND-CP detailing and prescribing measures to implement the Customs Law regarding to customs procedures, customs inspection and supervision. The Ministry of Industry and Trade is responsible for drafting the Prime Minister's Decision on developing the Supporting Industry Development Program for the 2026 - 2035 period and submit it to the competent authority within 2023 - 2025.

This Decision takes effect on the signing date.

▶ [Decision No. 308/QĐ-TTg](#)

03 forms of construction contracts applicable from April 20, 2023

For the temporary payment under Clause 4 Article 19 of Decree No. 37/2015/ND-CP, the temporary payment value and security interests for the temporary payment shall be decided based on the specific conditions of each temporary payment, ensuring efficiency and avoiding capital loss. A number of specific cases shall be as follows:

- For adjustable unit price-based contracts, if there is no data on adjustment of unit price or contract price upon payment deadline, the unit price in the contract shall be used to make temporary payment;
- For a product or work that is under construction and has not yet been completed according to the contract's requirements, the temporary payment shall be made based on the completion, for each specific case and the details of the unit price of such product or work stated in the contract.

A temporary payment dossier includes Written record of the testing and acceptance of completed work volume or Written record of certification of completed work volume (for cases not eligible for pre-acceptance test), Table of calculation of additional or reduced payment value; Table of calculation of temporary payment value and payment request.

Besides, the Ministry of Construction issued together with this Circular 03 forms of construction contracts:

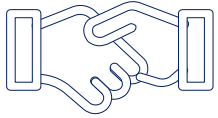
- Form of construction consultancy contracts;
- Form of construction implementation contracts;
- Form of contracts for engineering, procurement of technological equipment and construction (EPC contracts).

➤ [Circular No. 02/2023/TT-BXD](#)



OUR EXPERTISE

We are always at your service



Mergers & Acquisitions

We provide an end-to-end service to our clients, in cross-border as well as domestic M&A transactions, and are committed to providing pragmatic advice



Taxation

Our practice covers all types of taxes (commercial/sales, individual and VAT, among others) and we advise on matters ranging from compliance issues to the tax implications of particular transactions



Investment

We provide legal services to investors and foreign-invested enterprise. We always well understand the requirements of investors, financial institutions and stakeholders in large-scale investment projects in Vietnam.



Litigation

We always discuss thoroughly with customers and review the provided documents to propose optimal solutions which is best protect the rights and legitimate interests of customers in each specific case.



Banking & Project Finance

We have the expertise necessary to properly handle the risks in financial and banking activities and provide services such as: identifying potential risks, loan contracts, mortgage contracts, establish internal procedures of the banks



Labour

Our diverse service range from consulting employee recruitment, employee benefits, performance evaluation, contract signing and termination, personal income tax, and human resource management to, resolving labor dispute



Civil Matters

We strive to assist our clients in resolving legal issues in the area of civil, land, marriage and family



Contracts & Agreements

We provide service on consulting and reviewing contracts and agreements, to support clients to negotiate with their partners, to protect their legal rights and interests to settle contractual dispute



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