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INTRODUCTION

PREPARATION OF DOCUMENTS FOR ESTABLISHING AN ENTERPRISE FOR FOREIGN INVESTORS

CONTENT

1. Objects

Foreign individuals and organizations establish enterprises in Vietnam in the form of direct investment (establishment of economic organizations) and must meet market access conditions for foreign investors.

- Before establishing an economic organization, foreign investor must have investment project, carry out procedures for issuance or adjustment of Investment Registration Certificate, except for establishment of a small and medium-sized start-up enterprise and a start-up investment fund in accordance with regulations of Law on Small and Medium-sized Enterprises.

1.1. Foreign individuals

Nationality

Foreign nationality

Age

Adults (18 years old or older)

Civil act capacity

Full civil act capacity

Not being prosecuted for criminal liability, subject to penalties

Not being prosecuted for criminal liability, kept in temporary detention, serving an imprisonment sentence, serving an administrative penalty or being banned from holding certain positions or doing certain works

Job

Not being officials and public employees, commissioned officers, non-commissioned officers, military personnel, executive officers and managers of state-owned enterprises, etc.

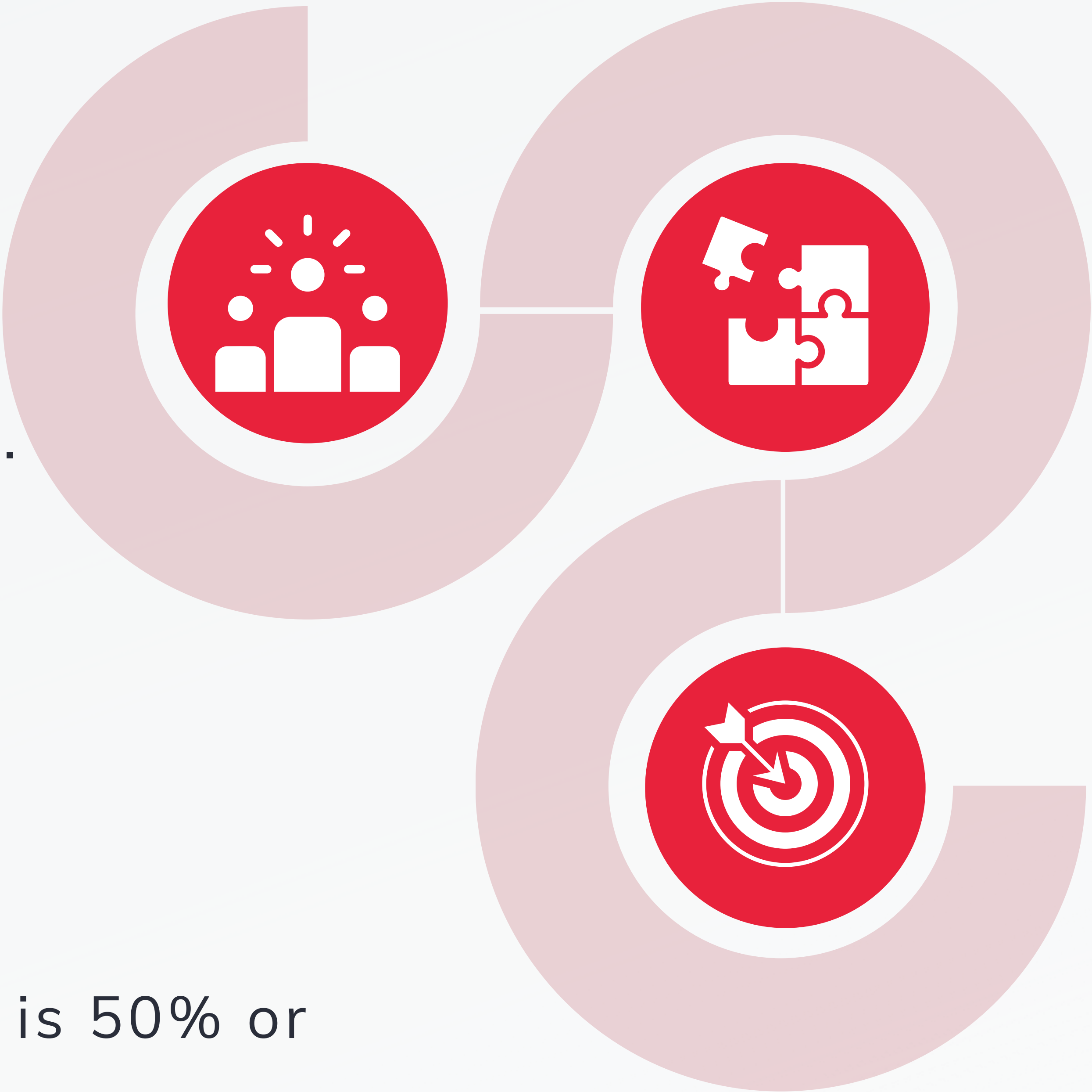
1.2. Foreign organization

Organization with 100% foreign capital

- Established in accordance with foreign law
- Have civil legal capacity
- Not being prohibited from doing business in certain fields.

Economic organization with foreign-invested capital

- Established in accordance with Vietnamese law
- Have legal status
- Charter capital ownership ratio of members/shareholders is 50% or more.



2. Place of application submission

Investment registration application for investment projects that are subject to approval of investment policy

Submit in person at:

01 Ministry of Planning and Investment for investment projects that are subject to approval of National Congress or Prime Minister.

02 Department of Planning and Investment for investment projects that are subject to approval of Provincial People's Committee.

03 Management boards of industrial parks, export-processing zones, hi-tech zones and economic zones for investment projects in industrial parks, export-processing zones, hi-tech zones and economic zones.

2. Place of application submission

Investment registration application for investment projects that are not subject to approval of investment policy

Declare online at website "National Investment Information System" and submit in person within 15 days at:

01 Management boards of industrial parks, export-processing zones, hi-tech zones and economic zones for investment projects in industrial parks, export-processing zones, hi-tech zones and economic zones.

02 Department of Planning and Investment for investment projects outside industrial parks, export-processing zones, hi-tech zones and economic zones.

Enterprise Registration Application

Register enterprise in person at Business Registration Office or by post

Register enterprise via electronic information network at National Enterprise Registration Portal (https://dangkykinhdoanh.gov.vn)

3. Information of customer need to be collected

Information of investors

Information of economic organization

Necessary documents

Information of investors

- Legal documents of the investor;
- Name of investment project;
- Investment location, land area used;
- Objectives and scale of investment project (project's objectives must meet conditions of business sector for foreign investors)
  Investment capital (contributed capital and mobilized capital);
- Operational term of investment project;
- Progress of capital contribution and capital mobilization.

Information of economic organization

- Type of enterprise and organizational structure;
- Enterprise's name;
- Head office address;
- Business sector that customer intends to do business in (based on the system of business sectors in Vietnam and corresponding to objectives of investment project);
- Charter capital;
- Legal representative;
- Representative of capital contribution.

Necessary documents

- Legal documents of the investor, authorized representative of investor, legal representative of economic organization
- Documents proving financial capacity
- Documents proving the legal right to use the location of the investment project

4. Business sectors

Sector meets market access conditions (Appendix I, Decree 31/2021/ND-CP)

- It is not allowed to open a company in Vietnam for sectors that are not allowed to access market (For example: journalism activities and news gathering activities in any form, investigation and security services, etc)
- For sectors with limited market access, investor must meet specific conditions (For example: to establishing a foreign language center with foreign investment, it must have an investment of at least 20 million VND/student (Do not include land use costs)

For the remaining business sectors, foreign investors are subject to market access conditions as prescribed for domestic investors. For example: management consulting services, computer hardware installation services, etc.

4. Business sectors

The sector meets business conditions

Some sectors require a separate license from a professional management agency before actual business operations. For example, if an investor operates a restaurant or hotel, in addition to obtaining an Enterprise Registration Certificate and Investment Registration Certificate, the investor must obtain food hygiene and safety licenses, written confirmation of meeting fire prevention and fighting conditions, security and order, etc.

5. Location

Location creates economic value

Tax incentive policies for enterprises operating in some special industries, or in some locations such as high-tech parks, industrial parks, difficult economic areas, etc. With tax incentives such as the preferential tax rate (10%) is lower than the normal tax rate (22%), tax is exempted or reduced for a certain period of time.

Location is not allowed to be used as business headquarter

Apartments, business restricted areas; Environmental influence

6. List of documents

Application for issuance of Investment Registration Certificate for foreign-invested company

a) Written request for investment project implementation;

b) Documents on the investor's legal status;

c) Documents proving financial capacity of investor;

d) Proposal for investment project;

e) Copy of the document regarding the land use rights or other document identifying the right to use the location for execution of the investment project if the project does not require the State to allocate or lease out land or to permit land repurposing.

f) Contents of the explanation for technology (if any)

g) BCC contract if the investment project is executed under BCC contract;

h) Other documents relating to the investment project, and requirements on the eligibility and capacity of the investor in accordance with regulations of law (if any).

Application for issuance of Enterprise Registration Certificate

Depending on the type of company that investor wants to establish, investor prepare corresponding documents. However, the following basic documents are needed:

a) Application for enterprise registration;

b) Company’s Charter;

c) List of founding shareholders and shareholders who are foreign investor (if joint stock company); List of members (if two-member company limited)

d) Copy of legal documents of shareholders/members;

e) Copy of legal documents of legal representative;

f) Copy of legal documents of authorized representative;

g) Certified copy of issued Investment Registration Certificat

7. Deadline for issuance of Certificate

For application for Investment Registration Certificate:

- Investment projects that are subject to approval of investment policy: **Within 5 working days** from the date of receiving written approval of investment policy and investors, the investment registration agency shall issue an Investment Registration Certificate.

- Investment projects that are not subject to approval of investment policy**:** The investment registration agency shall issue an Investment Registration Certificate within **15 days** from the date of receiving valid application

7. Deadline for issuance of Certificate

For application for enterprise registration: The processing time is 03 working days from the date of receiving valid application.

- The Business Registration Office notifies in writing the content needs to be amended within 03 working days from the date of receiving application.
- If the application is valid, the Business Registration Authority issues the enterprise registration certificate.

8. Notes

- To be recognized and used in Vietnam, documents issued by foreign competent authorities must be consular legalized, translated and notarized into Vietnamese according to law.

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THANK YOU!

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