

New schedule for foreign owned capital to implement trading and related activities

By **Tran Quang**



On May 21st, 2007 the Ministry of Trade (currently Ministry of Industry and Trade (MOIT)) promulgated Decision No. 10/2007/QĐ-BTM to announce the schedule for implementation of trading and related rights and activities for implementing the commitments of Vietnam in the World Trade Organization (WTO) (Decision 10).

Now, nearly 7 years from the date of issuance of Decision 10, on December 24th, 2013, the MOIT issued the Circular No. 34/2013/TT-BCT to announce the new schedule for implementation of trading rights and activities directly related to trading rights of foreign-invested enterprises in Vietnam (Circular 34). Circular 34 replaced Decision 10 from the date of February 5th, 2014 – the date that Circular 34 took effect. As of the effective date, all cases for which licenses are not yet granted, or amended, or supplemented, or re-issued will be governed by Circular 34.

In accordance with the new schedule, foreign-invested companies are entitled to exercise the right of export, import, and distribution of goods not mentioned in the list specified in the Appendices ((i) the export right for goods not mentioned in the list of goods not permitted to be exported; (ii) the import right for goods not mentioned in the list of goods not permitted to be imported, and (iii) the distribution right for goods not mentioned in the list of goods not permitted to be distributed) of Circular 34.

An important point raised by Circular 34 is that foreign-invested enterprises are not entitled to export goods such as petroleum and crude oils obtained from bituminous minerals. They cannot exercise the rights to import goods such as cigars, cigarettes made from pure tobacco leaves or from other substitute materials; oils from petroleum and other types of oils obtained from bituminous minerals except crude oils; all types of newspapers, journals and periodical publications; disks, tapes and the types of information archives; aircrafts like airplanes, helicopters, space-crafts, satellites, parts of the aircrafts.

In addition, the rights to distribute good granted to foreign-invested enterprises are mainly limited to the following goods: rice, cane sugar and beet sugar, tobaccos and cigars, crude oils and processed oils, pharmaceutical products, explosives, books and magazines, precious metals and precious stones, recorded items on all materials.

Indochine Counsel

Unit 705, 7th Floor, CMC Tower
 Duy Tan Street, Cau Giay District, Hanoi, Vietnam
 Tel: (84) 4 3795 5261 | Fax: (84) 4 3795 5262

Email: quang.tran@indochinecounsel.com
www.indochinecounsel.com

Ho Chi Minh City (Head Office):

Unit 4A2, 4th Floor, Han Nam Office Building
 65 Nguyen Du, District 1, Ho Chi Minh City, Vietnam
 Tel: (84) 8 3823 9640 | Fax: (84) 8 3823 9641

Email: info@indochinecounsel.com



企业西游记
成功并购在美国
A CORPORATE JOURNEY TO THE WEST
 OR HOW TO MAKE A SUCCESSFUL ACQUISITION IN THE USA

www.企业西游记.com • www.acorporatejourneytothewest.com