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Highlights

1. **Change of conditions for aircraft's temporary registration of Vietnamese nationality**

On 23 January 2019, the Government issued Decree No. 07/2019/ND-CP, amending a number of articles of Decree No. 68/2015/ND-CP dated 18 August 2015, providing for registration of nationality of and registration of rights to aircrafts.

In which, the regulation changing the conditions for aircraft's temporary registration of Vietnamese nationality should be noted. Specifically, an aircraft shall be allowed to temporarily register Vietnamese nationality if that aircraft is in the stage of being fabricated, assembled or tested in Vietnam and meets the following conditions:

- (a) Legal documents proving the ownership of the aircraft, or right of aircraft possession in case of hire – purchase or lease of aircraft are available;
- (b) Statutory conditions and requirements for ensuring national defense and security; aviation safety, aviation security and environmental protection are satisfied.

Thus, as from 11 March 2019, the conditions of not having nationality of any country or deleting foreign nationality registration imposed by the current regulations shall be no longer applicable to aircraft's temporary registration of Vietnamese nationality.

In addition, the new Decree has also added one circumstance where aircraft's registration of Vietnamese nationality shall be revoked: Aircraft is severely damaged and cannot be repaired or restored.

This Decree shall take effect on 11 March 2019.

2. **Circumstances where enterprises are required to conduct internal audits and standards of internal auditors**

On 22 January 2019, the Government issued Decree No. 05/2019/ND-CP on internal audit ("Decree 05").

Accordingly, the following enterprises must perform internal audit:

- (a) Listed companies;

- (b) Enterprises in which the State holds more than 50% of the charter capital are parent companies operating under the model of parent company - subsidiary companies;
- (c) State-owned enterprises that are parent companies operating under the model of parent company - subsidiary companies.

Other enterprises are encouraged to carry out internal audit.

Enterprises can hire an independent auditing organization eligible for audit activities to provide internal audit services. However, they will be required to ensure the compliance with the basic principles of internal audit as stipulated in Articles 5 and 6 of Decree 05.

The persons performing the internal audit must meet the following criteria:

- (a) Having a university degree or higher with majoring meeting audit requirements, having a full and updated knowledge in fields assigned to perform internal audit.
- (b) Having worked in sectors of their training major for 5 years or more; or having worked at their working positions for 3 years or more; or having worked as an auditor, accountant or inspector for 3 years or more.
- (c) Not being disciplined at a warning or higher level due to violations in economic, financial, accounting management or not in the course of being disciplined.
- (d) Having knowledge and general understanding on the laws and their working units' operations; being able to collect, analyze, evaluate and synthesize information; having knowledge and skills on internal audit.
- (e) Other standards prescribed by their working units.

This Decree shall take effect on 1 April 2019.

3. Waiver of requirements for C/O under CPTPP

The Ministry of Industry and Trade has just promulgated Circular No. 03/2019/TT-BCT (which shall enter into force on 8 March 2019), providing for rules of origin set out in the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership (CPTPP).

Accordingly, traders will be entitled to exemptions from requirements for certificates of origin (C/O) in two following cases:

- (a) Customs value of a batch of imported goods does not exceed USD 1,000 or equivalent in the currency of an importing member state, or another threshold prescribed by the regulations of an importing member state if this threshold is higher than the customs value.

- (b) Imported goods are entitled to exemptions from C/O according to an importing member state's regulations or the trader is not required by an importing member state to present C/O.

C/O shall be issued by a competent authority and valid for 1 year from the date of issuance or longer in accordance with the legislations of an importing member state.

In addition, this Circular stipulates that authorities and organizations issuing C/Os may grant sample CPTPP C/O to Vietnam's goods exported prior to 8 March 2019 for the purpose of enjoying tariff incentives under the provisions of this Agreement and regulations of importing member states.

4. Addition of wind power projects to planning for electricity development

On 15 January 2019, the Ministry of Industry and Trade issued Circular No.02/2019/TT-BCT, regulating the implementation of wind power development and the model contract for electricity purchase and sale for wind power projects.

Accordingly, potential wind power projects which have not yet been included in the planning for electricity development, are permitted to proceed with research and development as well as subject to plan formulation, appraisal, and submission in order to be added to the Planning for Electricity Development.

Dossier for such addition includes:

- (a) Planning scheme;
- (b) Document of the provincial/municipal People's Committee on the location of the site planning and land use area planned in accordance with the planning for land use and land use plan; the agency's opinion on the use of natural resources and marine areas of the proposed project (if the project is at sea);
- (c) Opinions of the regional Electricity Corporation or the Power Transmission Corporation if the project is connected to the distribution or transmission electricity system and those of EVN regarding the absorption capacity of the grid system and the application file for addition to planning.

In addition, investment registration certificates are excluded from conditions for starting and executing construction work of wind power projects.

This Circular shall take effect on 28 February 2019.

5. Maintenance plans of inland waterway works must be sent prior to May 30

On 11 January 2019, the Ministry of Transport issued Circular No.01/2019/TT-BGTVT, providing for management and maintenance of inland waterway works.

Accordingly, the order of making and approving annual maintenance plans of inland waterway works is as follows:

- (a) Vietnam Inland Waterways Department reviews, synthesizes, prepares the Plan and estimates expenditures for maintenance needs of inland waterway works for the next year and submits them to the Ministry of Transport prior to May 30 every year; reviews the list of works and work items to be prepared for investment and submit them to the Ministry of Transport prior to 15 June every year.
- (b) The Ministry of Transport reviews and approves the Plan of maintenance needs for the next year prior to 30 June every year; summarise the plans and expenditures for maintenance into this Ministry's annual estimates of revenues and expenditures funded by the State budget.
- (c) The Vietnam Inland Waterway Department shall base on the list of works and work items to be prepared for investment, which has been approved by the Ministry of Transport, in order to organize appraisal and evaluation of projects and technical and economic reports of works prior to 1 November every year...

In addition, the new Circular also specifies the process of maintenance of inland waterway works; documents for management and maintenance of inland waterway works; etc.

This Circular shall take effect on 1 March 2019.

6. Amendment of many forms of documents for enterprise registration

On 8 January 2019, the Ministry of Planning and Investment issued Circular No. 02/2019/TT-BKHDT, amending a number of articles of this Ministry's Circular No. 20/2015/TT-BKHDT dated 1 December 2015, providing guidelines for enterprise registration ("Circular 02").

When registering enterprises and business households as from 11 March 2019, the new forms accompanying Circular 02 will be applicable.

Specifically, the newly issued 86 forms include:

- (a) 5 forms of application for Enterprise registration, such as a form of request for registration of a sole proprietorship, a single member limited liability company, a limited liability company with two or more

- members, a joint stock company, a partnership; and 5 samples of accompanying Lists, such as list of members of limited liability companies with two or more members, list of founding shareholders, list of members of partnerships, list of authorized representatives;
- (b) 25 samples of Notices and other documents issued by the enterprise such as a form of Application for change to an Enterprise registration certificate for an enterprise granted with a Business registration certificate or a Certificate of business registration and tax registration: Appendix II-17, etc.;
 - (c) 6 standard forms prescribed for business households;
 - (d) 45 samples of documents prescribed for business registration agencies.

This Circular shall take effect on 11 March 2019.

7. No perennial trees within 150m-radius area of remote sensing works

Decree No. 03/2019/ND-CP on remote sensing activities had been approved by the Government on 4 January 2019.

Accordingly, the protection corridor of the infrastructure works receiving remote sensing image data is established with a radius of 150m from the centre of the antenna. The protection of the infrastructure works receiving remote sensing image data must ensure:

- (a) Within the above-mentioned area, it is prohibited to construct high-rise building works, to plant perennial trees causing obstruction, to dig and embank, and to carry out any other activities affecting the stability of the infrastructure works receiving remote sensing image data;
- (b) For stations controlling remote sensing satellite or collecting remote sensing data (except stations receiving data from geostationary satellite), beyond the 150m-radius area, it is permitted to plant trees or construct building works, however, the height of those trees or works must ensure that the angle between the antenna's connection line to the highest point of such tree or building work and the surface across the antenna centre does not exceed 2 degrees.

This Decree shall take effect on 20 February 2019.

8. Enterprises must supplement money if the policy holder fund is deficient

On 2 January 2019, the Ministry of Finance issued Circular No.01/2019/TT-BTC ("Circular 01"), amending a number of articles of Circular No. 50/2017/TT-BTC, providing guidelines for implementation of

Decree No. 73/2016/ND-CP, detailing implementation of Law on Insurance Business and Law amending a number of articles of the Law on Insurance Business ("Circular 50").

Accordingly, the basis of setting aside a professional reserve for life insurance is stipulated as follows:

- (a) 100% 1980 CSO Mortality Table and other technical facilities in accordance with the insurance benefits that the insurance enterprises commit to customers in insurance products approved by the Ministry of Finance, etc.;

(The current regulations do not specify the basic percentages for this Mortality Table)

- (b) The maximum technical interest rate shall not exceed 80% of the average interest rate of Government bonds of 10 year- or more-term issued in the last 24 months prior to the time of setting aside;

(Maximum interest rate is increased by 10% and can be increased within 24 months instead of 6 months as currently prescribed)

- (c) The technical interest rate used for setting aside must not exceed the average investment rate of the previous four consecutive quarters of the insurance enterprise and the interest rate used for fee calculation of each insurance product.

In the case where the fund of the policy holder is deficient (the asset value is lower than the responsibility level), the life insurance enterprise must supplement it with cash or deposits at credit institutions from the owner fund for the policy holder fund.

When the policy holder fund has a positive difference between the asset and the fund's responsibility, the enterprise can be refunded a part or the whole of the previously supplemented amount, but not the interests on the policy holder fund, provided that the refund does not deficit the policy holder fund.

In addition, Circular 01 also amended some other contents of Circular 50.

This Circular shall take effect on 16 February 2019.

Other sectors:

Finance - Banking

- Decision No. 123/QD-TTg dated 24 January 2019 of the Prime Minister, on the frame of interest rates applicable to preferential loans for social housing under Decree No. 100/2015/ND-CP for the period of 2019-2020.
- Decision No. 01/2019/QD-TTg dated 5 January 2019 of the Prime Minister, on the Set of Criteria for State statistical quality until 2030.
- Circular No. 03/2019/TT-BTC dated 15 January 2019 of the Minister of Finance, regulating financial sources, contents and levels of expenditures funded by the State budget to implement inventive activities.
- Circular No. 01/2019/TT-BKHDT dated 4 January 2019 of the Ministry of Planning and Investment, providing for the Statistical reporting regime of Statistics sector.

Trade

- Resolution No. 04/NQ-CP dated 7 January 2019 of the Government, approving the second Protocol on Assigning border gates under the ASEAN Framework Agreement on Facilitation of goods in Transit.
- Decision No. 121/QD-TTg dated 24 January 2019 of the Prime Minister, approving the Implementation Plan of the Comprehensive Partnership and Trans-Pacific Partnership (CPTPP).
- Decision No. 281/QD-UBND dated 17 January 2019 of Ho Chi Minh City People's Committee, publishing the list of administrative procedures within the scope of management function of Ho Chi Minh City Department of Industry and Trade.
- Circular No. 01/2019/TT-BCT dated 9 January 2019 of the Ministry of Industry and Trade, regulating the border gates for import of wastes.

Labour

- Decision No. 189/QD-UBND dated 10 January 2019 of Hanoi People's Committee, publishing the market price of labour in the construction sector in the area of Hanoi.
- Circular No. 04/2019/TT-BLDTBXH dated 21 January 2019 by the Minister of

Labour, War Invalids and Social Affairs, providing guidelines for management of labour, wages, remunerations and bonuses of the Credit guarantee fund for small and medium-sized enterprises.

Transport

- Decision No. 183/QD-BGTVT dated 25 January 2019 of the Minister of Transport, on the publication of national inland waterways.
- Consolidated Document No. 02/VBHN-BGTVT dated 14 January 2019 of the Ministry of Transport, combining the Circulars providing detailed regulations on management and exploitation of airports and airfields.
- Consolidated Document No. 01/VBHN-BGTVT dated 14 January 2019 of the Ministry of Transport, combining the Circulars regulating air transport and general aviation operation.
- Circular No. 01/2019/TT-BGTVT dated 11 January 2019 of the Minister of Transport, providing for management and maintenance of inland waterway works.

Information - Communications

- Decision No. 46/QD-BTTTT dated 10 January 2019 of the Minister of Information and Communications, providing for functions, duties, powers and organizational structure of branch of Vietnam Internet Network Information Centre in Da Nang City.
- Circular No. 02/2019/TT-BNV dated 24 January 2019 of the Minister of the Interior, regulating standards of input data and requirements for storage of electronic data archives.
- Circular No. 01/2019/TT-BNV dated 24 January 2019 of the Minister of Home Affairs, providing for the process of exchanging, storing and processing electronic documents in clerical work, and basic functions of Electronic document management system in the process of handling work of agencies and organizations.

Administration - Judiciary

- Decree No. 09/2019/ND-CP dated 24 January 2019, regulating reporting regime of State administrative agencies.
- Decision No. 05/2019/QD-TTg dated 24 January 2019 of the Prime Minister,

cancelling legal documents issued by the Prime Minister.

- Decision No. 04/2019/QD-TTg dated 22 January 2019 of the Prime Minister, on establishment, management and use of Crime Prevention and Control Fund.

Agriculture - Forestry - Fishery

- Decree No. 06/2019/ND-CP dated 22 January 2019, on management of endangered, precious and rare forest flora and fauna and the implementation of the Convention on international trade in endangered species of wild fauna and flora.
- Decree No. 01/2019/ND-CP dated 1 January 2019, on Forest Protection and Specialized Forces of Forest Protection.
- Decision No. 176/QD-BCT dated 28 January 2019 of the Minister of Industry and Trade on the List of mechanical products, components, agricultural machines and auxiliary products for agricultural and rural development which can enjoy investment support.
- Decision No. 321/QD-BNN-PC dated 24 January 2019 of the Ministry of Agriculture and Rural Development, publishing a list of legal documents, which are expired, partly or wholly invalidated, in the fields under the State management of the Ministry of Agriculture and Rural Development in 2018.
- Decision No. 124/QD-TTg dated 24 January 2019 of the Prime Minister, on the list of dams and irrigation reservoirs falling within the category of dams and reservoirs of special importance.
- Decision No. 100/QD-TTg dated 19 January 2019 of the Prime Minister, approving the Scheme on deployment, application and management of tracking and traceability systems.
- Decision No. 257/QD-BNN-XD dated 17 January 2019 of the Ministry of Agriculture and Rural Development, publishing standardization administrative procedures in the field of management of building works within the scope of State management functions.
- Decision No. 390/QD-UBND dated 17 January 2019 of Hanoi People's Committee, on the List of key agricultural products at the City level; important agricultural goods and products which need to be encouraged and prioritized in supporting the linking between production and consumption of Hanoi City.

Miscellaneous

- Decree No. 11/2019/ND-CP dated 30 January 2019, on amendments to the Decrees regulating administrative procedures related to the requirement for notarized or authenticated copies of documents within the scope of management functions of the Ministry of Culture, Sports and Tourism.
- Decree No. 10/2019/ND-CP dated 30 January 2019, on implementation of the rights and responsibilities of State ownership representative agency.
- Decision No. 90/QD-BGDDT dated 11 January 2019 of the Ministry of Education and Training, publishing cancelled administrative procedures within the scope of the management function of the Ministry of Education and Training.
- Decision No. 104/QD-TTg dated 22 January 2019 of the Prime Minister, approving the National Action Plan on prevention, detection and preparation of response to chemical, biological, radiation and nuclear risk and incidents for the period of 2019-2025.
- Decision No. 32/QD-TTg dated 7 January 2019 of the Prime Minister, approving the Scheme on establishment of Vietnam Stock Exchange.
- Circular No. 04/2019/TT-BKHDT dated 25 January 2019 of the Minister of Planning and Investment, providing guidelines for training, retraining and examination for grant of certificates of practice in bidding activities.

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