



LEGAL UPDATES

May 2022

What's new this month?

Vocational education: what are new conditions?

New Decree on postal activities: significant remarks for postal enterprises



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Noteworthy Changes to Vocational Education Business and Postal Activities

coming into force as of June 2022

The highlights of this May's legal update are Decree No. 24/2022/ND-CP dated 06 April 2022, and Decree No. 25/2022/ND-CP dated 12 April 2022. In brief, those regulations have contributed to clarify legal frame and improve certain procedures in the relevant sectors.

Vocational education: what are new conditions?

An effective vocational education system can help future employees acquire necessary skills for qualified employment. Although the potential of vocational education to promote economic, social and personal goals is enormous, it has not yet been fully exploited in Vietnam. Thus, it is very necessary for the Vietnamese laws which play a decisive role to outline an appropriate regulatory basis for supporting such business activity.

Decree No. 24/2022/ND-CP amending certain conditions for investment and operations in vocational education under certain existing decrees ("**Decree 24**") continually improves the legal frame of vocational education business and purports to facilitate the investors in this business field. Decree 24 will come into effect from 1st June 2022.



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Registration of vocational education

An entity is required to register its vocational education activities with the licensing authorities before its operation and upon any changes thereafter. Such changes include:

- supplement of new profession/occupation(s) and level(s) of training (except for the public vocational schools enjoying decision-making autonomy on opening of such professions and occupations under laws);
- excess of 10% of the total enrollment scale (per year) of the professions/occupations in the same group at each training location recorded in the issued license(s);

- division, split or merge of the vocational schools and enterprise;
- establishment of a school branch(s) conducting activities of training, or supplement of training location(s) other than those recorded in the issued license(s);
- relocation of the school's head office, or its branch(s)/training location(s) directly conducting activities of training, to another place(s);
- change of the enterprise's name.

Training association with foreign partners

Decree 24 removes certain conditions applied to training association with foreign partners such as:

- the average area of classrooms and practical rooms must be at least 5 m2/seat;
- the maximum ratio is 25 students/teacher; and
- students to be granted with a foreign degree must achieve at least level 3 according to the 6-level Foreign Language Proficiency Framework of Vietnam or equivalent.

Disclosure obligations

The vocational schools must:

- publicize their registration certificates (including additional registration certificates) and the conditions for ensuring the performance of vocational education activities on their websites; and
- update the vocational education diplomas/certificates issued by themselves on the Information Page for Searching Vocational Education Diplomas operated by the Government at the address <u>http://vanbang.gdnn.gov.vn</u>.

Any breach may lead to suspension from vocational education activities.

New Decree on postal activities: significant remarks for postal enterprises



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During the boom period of globalization and e-commerce, the demand for postal services is increasing strongly. Moreover, modern technology is also changing the traditional methods of the postal industry in Vietnam. With the aim at improving administrative procedures for postal services, the new decree No. 25/2022/ND-CP ("Decree 25") has been issued to amend certain provisions under the prevailing decree No. 47/2011/ND-CP ("Decree 47"). Decree 25 will come into force as of 1st June 2022.

Amendments to administrative procedures

Postal enterprises can now submit their applications for postal licenses or confirmations on postal operation using the online application system, instead of via direct submission or by post as before.

When applying for a postal license, an applicant may also need to submit a franchise agreement signed with the postal service provider (if any) in case of postal/post office franchise. Timeline for processing an application for postal license is shortened from 30 days to 20 days from the receipt of proper application.

Documents used in postal services

Decree 25 officially recognizes the use as well as value of electronic contracts and electronic documents in postal services. It is required that contracts, both electronic and written versions, used during business must be consistent with templates submitted to authorities. Both electronic and written documents should be retained for at least 5 years and provided to competent authorities upon requests or as required by laws.

Announcing postage rates

The postal service providers must announce the postage rates in VND (inclusive of taxes and extra charges) and other relevant information (if any) by posting at their service points or on their websites, by notifying in writing or by other proper ways. Any changes to the postal rates or new rates shall be notified to the competent authorities within 5 working days from the effective date of such rates.

Promotion

Decree 25 draws the maximum discount threshold which must not exceed 50% of the postage rates most recently announced to the authorities. Such threshold is in compliance with the discount rate ceiling as provided by Law No. 36/2005/QH11 on Commerce purporting to avoid "fake promotion" and anti-competitive conducts by abusing discount.



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