

## LEGAL UPDATES

### INVESTMENT

#### **Decree No. 124/2017/ND-CP on offshore investment in petroleum activities**

Effective date: 1 January 2018

The Decree governs offshore investment in petroleum activities (save for investment via a stock investment funds or financial intermediaries).

An investor is required to apply for an in-principle approval and/or an investment registration certificate from the Vietnam authorities. The investor may transfer investment capital overseas for investment purpose. The investment capital can be in cash or in kind (machinery, material, goods, intellectual properties or other legal assets).

The investor may also transfer money overseas for the purpose of investment preparation before issuance of the investment registration certificate subject to approval from the State Bank of Vietnam.

### BANKING

#### **Circular No. 14/2017/TT-NHNN regarding calculation of interest in connection with deposits and credit extension**

Effective date: 1 January 2018

For the purpose of calculation and conversion of interests,

- (1) each year has 365 days;
- (2) each month has 30 days;
- (3) each week has 7 days; and
- (4) each day has 24 hours.

Loan documents signed between the credit institutions and their customers must provide for, among other terms and conditions, interest rates, the method for calculation of interest and/or adjustment of interest rates.

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## COMMERCIAL

### **Circular No. 101/2017/TT-BTC guiding Decree No. 06/2017/ND-CP regarding gambling on horse racing, greyhound racing and international football**

**Effective date: 1 December 2017**

The Circular elaborates on

- (1) procedures for establishment of racing supervision councils by companies engaging in gambling on horse racing and greyhound racing; and
- (2) financial management, accounting, auditing and reporting.

The Circular also enact various templates in relation to application for business licenses.

### **Circular No. 102/2017/TT-BCT guiding Decree No. 03/2017/ND-CP regarding casino business**

**Effective date: 1 December 2017**

Companies engaging in casino business are required to

- (1) supervise entry into business locations;
- (2) keep documents regarding financial capacity of customers;
- (3) apply proper accounting methods in connection with entry tickets, income and profit from casino business and operation costs; and
- (4) register casino token with the competent authority before use.

### **Circular No. 42/2017/TT-BCA guiding Decree No. 96/2016/ND-CP regarding conditions on security and order applied to some conditional business lines**

**Effective date: 6 December 2017**

The Circular elaborates on:

- (1) the licensing procedures for obtaining/revoking certificates of satisfaction of security and order conditions;
- (2) setting up plans on security and order;
- (3) post-licensing inspection;
- (4) reporting requirements; and
- (5) uniforms in connection with security services

which are applied to some conditional business lines.

The Circular also enact various templates in connection with the licensing procedures and management of casino business.

**COMMERCIAL****Decree No. 119/2017/ND-CP regarding settlement of administrative violations on regulations on measurement and quality of goods**

Effective date: 15 December 2017

This Decree provides for sanctions, authority and procedures for applying sanctions in case of violations on:

- (1) measuring;
- (2) standards, technical specifications, quality of goods; and
- (3) label and bar codes.

The penalties will be subject to nature of violations and the mitigating or aggravating circumstances.

**CORPORATE****Law No. 04/2017/QH14 on support for small and medium sized enterprises**

Effective date: 1 January 2018

Small and medium sized enterprises ("**SMEs**") include micro-enterprises, small enterprises and medium-sized enterprises. They are enterprises of which

- (1) the annual average number of employees who participate in social insurance schemes is not greater than 200 employees; and
- (2) the total capital is not greater than VND100 billion; or the total revenue of the previous year is not greater than VND300 billion.

The Government of Vietnam will support the SMEs with credit extension, tax and accounting, premises for production, technology, market expansion, human resources and legal consultancy.

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