

THE GOVERNMENT

Pursuant to the Law on Organization of the Government of December 25, 2001;

Pursuant to the June 14, 2005 Commercial Law;

At the proposal of the Trade Minister,

DECREES:

Chapter I

GENERAL PROVISIONS

Article 1.- Governing scope

1. This Decree details the Commercial Law regarding the establishment, operation, rights and obligations of Vietnam-based representative offices and branches of foreign traders that specialize in goods sale and purchase and activities directly related to goods sale and purchase.

2. Representative offices and branches of foreign-invested enterprises established in Vietnam shall not be governed by this Decree.

Article 2.- The right to establish Vietnam-based representative offices and branches of foreign traders

1. Foreign traders are entitled to establish in Vietnam their representative offices (hereinafter referred to as representative offices for short) according to the provisions of Articles 16, 17, 18 and 22 of the Commercial Law and the provisions of this Decree.

2. Foreign traders are entitled to establish in Vietnam their branches (hereinafter referred to as branches for shorts) according to Vietnam's commitments in international treaties to which Vietnam is a contracting party to conduct goods sale and purchase and activities directly related to goods sale and purchase according to the provisions of Articles 16, 19, 20 and 22 of the Commercial Law and the provisions of this Decree.

The Trade Minister is assigned to base himself/herself on international treaties to which Vietnam is a contracting party to announce and guide goods sale and purchase activities and activities directly related to goods sale and purchase, which the branches of foreign traders are allowed to conduct in Vietnam.

3. Representative offices or branches are affiliates of foreign traders. It is prohibited to establish representative offices or branches affiliated to other representative offices or branches.

4. Representative offices or branches of foreign traders operating in particular commercial domains (banking, financial, legal service, cultural, educational, tourist or other domains specified by law) specified in other legal documents shall comply with the provisions of such legal documents.

Article 3.- Agencies granting permits for establishment of representative offices or branches

1. The Trade Ministry shall grant, re-grant, amend, supplement, extend or withdraw permits for establishment of branches operating in the domains specified in Clause 2, Article 2 of this Decree.

2. Provincial/municipal Trade or Trade-Tourism Services (hereinafter referred to collectively as provincial/municipal Trade Services) shall grant, re-grant, amend, supplement, extend or withdraw representative office establishment permits.

Chapter II

GRANT, RE-GRANT, AMENDMENT, SUPPLEMENTATION AND EXTENSION OF REPRESENTATIVE OFFICE OR BRANCH ESTABLISHMENT PERMITS

Article 4.- Conditions for grant of representative office or branch establishment permits

1. A foreign trader shall be granted a permit to establish in Vietnam its representative offices when fully satisfying the following conditions:

- a/ Being a trader recognized by the law of the country or the territory (hereinafter referred to collectively as the country) where it has been lawfully established or made its business registration;
- b/ Having been operating for at least one year after its lawful establishment or business registration in its country.

2. A foreign trader shall be granted permit to establish in Vietnam its branches when fully satisfying the following conditions:

- a/ Being a trader recognized by the law of the country where it has been lawfully established or made its business registration;
- b/ Having been operating for at least five years after its lawful establishment or business registration.

3. Permits for establishment of Vietnam-based representative offices or branches of foreign traders shall each have a valid term of five years, which must, however, not exceed the remaining valid term of such foreign traders' business registrations or papers of equivalent value in case foreign laws specify valid terms of business registrations of foreign traders.

Article 5.- Dossiers of application for permits for establishment of representative offices or branches

1. A dossier of application for a representative office establishment permit comprises:

- a/ An application for representative office establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;
- b/ Copies of the foreign trader's business registration or papers of equivalent value certified by the competent authority of the locality where the foreign trader has been established. In case an operation duration for the foreign trader is specified in such business registration or papers of equivalent value, such operation duration must remain valid for at least one year;
- c/ An audited financial statement or other documents of equivalent value proving the actual existence and operation of the foreign trader in the latest fiscal year;
- d/ A copy of the foreign trader's operation charter, for those being economic organizations.

2. A dossier of application for a branch establishment permit comprises:

- a/ An application for branch establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;
- b/ A copy of the branch's operation charter, clearly stating the scope of authorization for the branch's head;
- c/ Copies of the foreign trader's business registration or papers of equivalent value certified by the competent authority of the locality where the foreign trader has been established or made its business registration. In case an operation duration for the foreign trader is specified in such business registration or papers, such operation duration must remain valid for at least three years;

d/ An audited financial statement or other documents of equivalent value proving the actual existence and operation of the foreign trader in the latest fiscal year.

3. The papers and documents specified at Points b and c, Clause 1, and Points b, c and d, Clause 2 of this Article must be translated into Vietnamese and certified and consularly legalized by Vietnam's foreign-based diplomatic missions or consular offices according to the provisions of Vietnamese law.

Article 6.- Cases where representative or branch establishment permits shall not be granted

The agencies competent to grant permits for establishment of representative offices or branches shall not grant such permits to foreign traders in the following cases:

1. Such foreign traders fail to fully satisfy the conditions specified in Clauses 1 and 2, Article 4 of this Decree.
2. Such foreign traders only trade in goods and/or services on the list of goods and services banned from business under the provisions of Vietnamese law.
3. Such foreign traders apply for representative office or branch establishment permits within two years after their permits for establishment of Vietnam-based representative offices or branches are withdrawn under the provisions of Clause 2, Article 28 of this Decree.
4. There appear evidences that the establishment of such foreign traders' representative offices or branches may cause harms to Vietnam's defense, security, social order and safety, historical and cultural tradition, ethics, fine customs and practices and the people's health, deplete natural resources or deteriorate the environment.
5. Such foreign traders submit invalid dossiers or fail to supplement incomplete dossiers at the request of the agencies competent to grant permits.
6. Other cases specified by law.

Article 7.- Time limit for grant of representative office or branch establishment permits

1. Foreign traders shall send dossiers of application for representative office or branch establishment permits to the permit-granting agencies defined in Article 3 of this Decree.
2. For the establishment of representative offices, within 15 days after receiving complete and valid dossiers, the provincial/municipal Trade Services shall complete the dossier examination and grant to foreign traders the representative office establishment permits and send copies of such permits to the Trade Ministry, provincial/municipal People's Committees (hereinafter referred to collectively as provincial-level People's Committees), tax offices, statistical offices, and police departments of the provinces where such representative offices are to be located.
3. For the establishment of branches, within 15 days after receiving complete and valid dossiers, the Trade Ministry shall complete the dossier examination and grant to foreign traders the branch establishment permits and send copies of such permits to provincial-level People's Committees, provincial/municipal Trade Services, tax offices, statistical offices, and police departments of the provinces where branches are to be located.
4. For invalid dossiers, the permit-granting agencies shall, within three working days after receiving such dossiers, notify such in writing to foreign traders so that the latter can supplement and complete the dossiers.
5. The time limits specified in Clauses 2 and 3 of this Article shall not cover the time for foreign traders to amend or supplement their dossiers of application for representative office or branch establishment permits.

6. Upon the expiration of the time limits specified in Clauses 2 and 3 of this Article, if the competent agencies defined in Article 3 of this Decree refuse to grant representative office or branch establishment permits, they shall have to notify such in writing to the concerned foreign traders, clearly stating the reasons therefor.

Article 8.- Notification of operation of representative offices and branches

1. Within 45 days after being granted a permit, a representative office or branch shall have to publish on three consecutive issues of a printed or online newspaper licensed in Vietnam the following contents:

a/ Name and address of the head office of the representative office or branch;

b/ Name and address of the head office of the foreign trader;

c/ Head of the representative office or branch;

d/ Serial number, date of issue and valid term of the representative office or branch establishment permit, and the permit-granting agency;

e/ Operation of the representative office or branch.

2. Within the time limit specified in Clause 1 of this Article, the representative office must officially commence its operation and notify in writing the provincial/municipal Trade Service of the commencement of its operation at the registered head office.

3. Within the time limit specified in Clause 1 of this Article, the branch must officially commence its operation and notify in writing the Trade Ministry and the Trade Service of the province or city where its head office is located of the commencement of its operation at the registered head office.

Article 9.- Setting up of the management apparatus of a representative office or a branch

1. The setting up of the management apparatus and appointment of leading staffs of a representative office or a branch shall be decided by the concerned foreign trader.

2. The number of foreigners working in a representative office or a branch must comply with the provisions of labor law and Vietnam's international commitments in treaties to which Vietnam is a contracting party.

Article 10.- Amendment or supplementation of representative office or branch establishment permits

1. In the following cases, a foreign trader must carry out procedures for amending or supplementing its representative office or branch establishment permit with a competent agency within 10 days after the occurrence of any of the following changes:

a/ Change of the head of the representative office or branch;

b/ Relocation of the head office of the foreign trader within the country where such trader has been established or made business registration;

c/ Relocation of the head office of the representative office within a province or a centrally-run city;

d/ Relocation of the head office of the Vietnam-based branch;

e/ Change in the appellation or operation of the representative office or branch.

2. A dossier of request for amendment or supplementation of a representative office or branch establishment permit comprises:

a/ An application of request for amendment or supplementation of the representative office or branch establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;

b/ The original of the granted representative office or branch establishment permit.

3. Within 10 days after receiving valid dossiers of foreign traders, the permit-granting agencies shall have to amend or supplement the permits and send copies of the amended or supplemented permits to the agencies defined in Clauses 2 and 3, Article 7 of this Decree.

Article 11.- Re-grant of representative office or branch establishment permits

1. In the following cases, a foreign trader must carry out procedures for re-grant of its representative office or branch establishment permit with a competent agency within 15 days after the occurrence of any of the following changes:

a/ Relocation of the head office of the representative office from a province or a centrally-run city to another;

b/ Change of the appellation or the establishment registration place of the foreign trader from one country or another;

c/ Change in operation of the foreign trader.

2. In case its representative office or branch establishment permit is lost, torn or destroyed, the foreign trader must, upon the occurrence of such event, carry out procedures, requesting the competent agency to re-grant such representative office or branch establishment permit.

Article 12.- Dossiers for re-grant of representative office or branch establishment permits

1. A dossier for re-grant of a representative office establishment permit in the cases specified at Point a, Clause 1, Article 11 comprises:

a/ An application for re-grant of the representative office establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;

b/ Certification by the agency that has granted the permit of the deletion of the representative office registration at the former locality;

c/ A notarized copy of the granted representative office establishment permit.

2. A dossier for re-grant of a representative office or branch establishment permit in the cases specified at Points b and c, Clause 1, Article 11 comprises:

a/ An application for re-grant of the representative office or branch establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;

b/ Copies of the foreign trader's business registration or papers of equivalent value certified by a competent agency of the locality where it has been established or made its business registration. The papers mentioned at this Point must be translated into Vietnamese and certified and consularly legalized by Vietnam's foreign-based diplomatic missions or consular offices according to the provisions of Vietnamese law.

c/ The original of the granted representative office or branch establishment permit.

3. A dossier of request for re-grant of a representative office or branch establishment permit in the cases specified in Clause 2, Article 11 comprises:

a/ An application for re-grant of the representative office or branch establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;

b/ The original or a copy of the granted representative office or branch establishment permit (if any).

Article 13.- Procedures for re-grant of representative office or branch establishment permits

1. In case of relocation of their head offices as specified at Point a, Clause 1, Article 11 of this Decree, foreign traders must carry out procedures for termination of operation of their representative offices at the Trade Services of the provinces or cities where such head offices are being located and apply for re-grant of representative office establishment permits at the Trade Services of the provinces or cities where their new head offices are to be located.

Within five working days after receiving requests for relocation of head offices from a province or city to another, the Trade Service of the locality where the foreign traders locate their representative offices shall have to certify in writing the deletion of the representative office establishment registrations already granted in such locality.

Within five working days after receiving valid dossiers of foreign traders as specified in Clause 1, Article 12, the Trade Service of the locality where such foreign traders intend to locate their new representative offices shall have to re-grant permits with valid terms not exceeding the remaining valid terms of the already granted representative office establishment permits and notify the re-grant to the agencies defined in Clause 2, Article 7 of this Decree.

2. Within ten days after receiving valid dossiers of foreign traders as specified in Clauses 2 and 3, Article 12, the agencies which have granted permits shall have to re-grant permits with valid terms not exceeding the remaining valid terms of the already granted representative office or branch establishment permits and notify the re-grant to the agencies defined in Clause 3, Article 7 of this Decree.

Article 14.- Extension of representative office or branch establishment permits

1. A foreign trader shall have its representative office or branch establishment permit extended when fully satisfying the following conditions:

a/ Wishing to continue operating in Vietnam in the form of representative office or branch;

b/ Having been operating under law of the country where it has been established or made business registration;

c/ Having not committed acts of serious violation of Vietnamese law regarding operation of representative offices or branches.

2. A dossier of application for extension of a representative office or branch establishment permit comprises:

a/ An application for extension of the representative office or branch establishment permit, made according to a form set by the Trade Ministry and signed by the foreign trader's competent representative;

b/ An audited financial statement or other documents of equivalent value proving the actual existence and operation of the foreign trader in the latest fiscal year. The papers specified at this Point must be translated into Vietnamese and certified and consularly legalized by Vietnam's foreign-based diplomatic missions or consular offices according to the provisions of Vietnamese law.

c/ A report on operation of the representative office or the branch up to the date of application for extension of the representative office or branch establishment permit.

d/ The original of the granted representative office or branch establishment permit.

3. At least 30 days before the expiration of the representative office or branch establishment permit, the foreign trader must carry out procedures for extension thereof.

4. The time limit for competent state agencies to complete procedures for extension of representative office or branch establishment permits shall be the same as that for grant of new representative office or branch establishment permits specified in Article 7 of this Decree.

5. Upon the expiration of the time limit specified in this Article, if the competent agencies refuse to extend representative office or branch establishment permits, they shall have to notify in writing the concerned traders of the reasons therefor.

6. Agencies competent to grant representative office or branch establishment permits shall have to notify the agencies defined in Clauses 2 and 3, Article 7 of this Decree of the extension or refusal to extend permits.

7. The extended term shall be the same as the valid term of representative office or branch establishment permits specified in Clause 3, Article 4 of this Decree.

Article 15.- Fees for grant, re-grant, amendment, supplementation and extension of representative office or branch establishment permits

1. Foreign traders must pay fees for grant, re-grant, amendment, supplementation and extension of representative office or branch establishment permits.

2. The Finance Ministry shall assume the prime responsibility for, and coordinate with the Trade Ministry in, specifying the fee rates and the management of fees for grant, re-grant, amendment, supplementation and extension of representative office or branch establishment permits.

Chapter III

OPERATIONS, RIGHTS AND OBLIGATIONS OF REPRESENTATIVE OFFICES AND BRANCHES

Article 16.- Operations of representative offices

Operations of representative offices shall cover:

1. The performance of the function of liaison offices.

2. The formulation of cooperation projects of foreign traders in Vietnam.

3. Studies of the market in order to promote opportunities to buy or sell goods, provide and use commercial services of traders they represent.

4. Monitoring and urge of the performance of contracts signed with Vietnamese partners or related to the Vietnamese market by foreign traders they represent.

5. Other operations allowed by Vietnamese law.

Article 17.- Operations of branches

1. Branches are allowed to conduct operations stated in their establishment permits and compliant with the provisions of Clause 2, Article 2 of this Decree.

2. Where a branch operates in conditional domains as specified by law, it shall be allowed to operate in such domains only when it satisfies all the specified conditions.

Conditions for business operation means the requirements which branches must satisfy when conducting specific business activities and are expressed in form of business licenses, certificates of satisfaction of business conditions, practice certificates, certificates of professional liability insurance, requirements on legal capital or other requirements set by law on enterprises.

Article 18.- Opening of accounts

1. Representative offices are allowed to open expenditure accounts in foreign currencies and expenditure accounts in Vietnam dong of foreign-currency origin at banks licensed to operate in Vietnam and use such accounts only for their operations.

2. Branches are allowed to open settlement accounts in foreign currencies or in Vietnam dong at banks licensed to operate in Vietnam in service of their operations.

In special cases, branches are allowed to open accounts at overseas banks after obtaining consents of the State Bank of Vietnam. Branches shall have to report to the State Bank of Vietnam on the use of accounts opened overseas.

3. The opening, use and closure of accounts of representative offices or branches shall comply with the regulations of the State Bank of Vietnam.

Article 19.- Reporting on operation

1. Annually, before the last working day of January, representative offices and branches shall send written reports on their operations in the preceding year to the agencies having granted representative office or branch establishment permits.

2. Branches shall have to observe the regime of financial statements and statistical reports according to the provisions of Vietnamese law.

3. In case of necessity as specified by Vietnamese law, representative offices and branches shall have to report, supply documents on, or explain matters related to, their operations at the request of competent state management agencies.

Article 20.- Rights and obligations of representative offices and their heads

Representative offices and their heads shall exercise their rights and perform their obligations in accordance with the provisions of the Commercial Law and the following regulations:

1. Representative offices must neither act as representatives for other traders nor sub-lease their head offices.

2. The head of a representative office of a foreign trader must not concurrently hold the following posts:

a/ The head of a Vietnam-based branch;

b/ The representative at law of the foreign trader for signing contracts without the latter's letter of authorization;

c/ The representative at law of the enterprise established under Vietnamese law.

3. In case foreign traders authorize heads of their representative offices to sign contracts, amend or supplement already signed contracts, they shall have to effect the authorization in writing for each contract signing or each amendment or supplementation of a signed contract .

Article 21.- Rights and obligations of branches and heads of branches

Branches and heads of branches shall exercise their rights and perform their obligations in accordance with the provisions of the Commercial Law and the following regulations:

1. Branches must neither perform the function of acting as representatives for other traders nor sub-lease their head offices

2. Heads of branches of foreign traders must not concurrently hold the following posts:

- a/ Heads of representative offices of the same foreign traders in Vietnam;
- b/ Heads of representative offices or branches of other Vietnam-based foreign traders.

Article 22.- Termination of operation of representative offices or branches

1. Representative offices or branches shall terminate their operation in the following cases:

- a/ It is so requested by foreign traders and approved by competent agencies;
- b/ Foreign traders terminate their operation under laws of countries where such traders have been established or made business registrations;
- c/ Foreign traders do not apply for extension of representative office or branch establishment permits upon the expiration of operation duration stated therein;
- d/ The permit-granting agencies refuse to extend representative office or branch establishment permits upon the expiration of operation duration stated therein;
- e/ Representative office or branch establishment permits are withdrawn in accordance with the provisions of Clause 2, Article 28 of this Decree.

2. At least 30 days before the planned date of termination of operation of their representative offices or branches under the provisions of Points a, b and c, Clause 1 of this Article, foreign traders shall have to send notices on operation termination to the permit-granting agencies, creditors and employees of such representative offices or branches, and persons with related rights, obligations and interests. Such a notice must clearly state the planned date of termination of operation of the representative office or branch and be publicly posted up at the head office of such representative office or branch and published on three consecutive issues of a printed or online newspaper licensed in Vietnam.

3. Within 15 days after decisions on refusal to extend representative office or branch establishment permits or decisions on withdrawal of such permits are issued in accordance with the provisions of Point d and e, Clause 1 of this Article, the permit-granting agencies shall have to publish on three consecutive issues of a printed or online newspaper the termination of operation of such representative offices or branches and clearly state the date of such operation termination.

4. Within 15 days after foreign traders and their representative offices or branches fulfill the obligations specified in Clause 3 or 4, Article 23 of this Decree, the permit-granting agencies shall have to delete the names of such representative offices or branches from the registers.

5. Within 15 days after the deletion of branches' names, the Trade Ministry shall have to notify the termination of operation of such branches to the People's Committees, Trade Services, tax offices, statistical offices and police departments of provinces or cities where the branches' head offices are located.

Within 15 days after the deletion of representative offices' names, the provincial/municipal Trade Services shall have to notify the termination of operation of such representative offices to the Trade Ministry, the People's Committees, tax offices, statistical offices and police departments of provinces or cities where the representative offices' head offices are located.

Article 23.- Obligations of foreign traders towards their representative offices or branches

1. Foreign traders shall be held responsible before Vietnamese law for all operations of their Vietnam-based representative offices or branches.

2. Heads of representative offices or branches shall be responsible for their activities and the operations of their representative offices or branches before Vietnamese law in cases they conduct operations beyond the scope of authorization.

3. At least 15 days before a representative office or branch terminates its operation according to the provisions of Points a, b and c, Clause 1, Article 22 of this Decree, the concerned foreign trader and such representative office or branch shall be obliged to pay off debts and fulfill other obligations towards the State and concerned organizations and individuals according to the provisions of law.

4. Within 60 days after the termination of operation of representative offices or branches according to the provisions of Points d and e, Clause 1, Article 22 of this Decree, foreign traders shall be obliged to pay off debts and fulfill other obligations towards the State and concerned organizations and individuals according to the provisions of law.

Chapter IV

STATE MANAGEMENT OF OPERATIONS OF REPRESENTATIVE OFFICES AND BRANCHES

Article 24.- The Trade Ministry shall have the following responsibilities:

1. To assume the prime responsibility for, and coordinate with concerned ministries and branches in, elaborating and submitting to competent agencies for promulgation, or promulgating according to competence, legal documents on representative offices and branches.
2. To guide the grant, re-grant, amendment, supplementation, extension and withdrawal of representative office establishment permits; to grant, re-grant, amend, supplement, extend and withdraw branch establishment permits.
3. To inspect and examine the management by provincial/municipal Trade Services of operation of representative offices and branches across the country.
4. To assume the prime responsibility for, and coordinate with concerned ministries, branches or localities in, inspecting and examining representative offices and branches when deeming it necessary or at the request of such ministries, branches or localities.
5. To assume the prime responsibility for, and coordinate with concerned ministries, branches or localities in, developing a database on representative offices and branches across the country.
6. To handle acts of law violation committed by representative offices and/or branches according to its competence.

Article 25.- Provincial-level People's Committees shall have the following responsibilities:

1. To direct provincial/municipal Trade Services in examining application dossiers, granting, re-granting, amending, supplementing, extending and withdrawing representative office establishment permits according to the provisions of Article 3 of this Decree.
2. To perform according to their competence the management of operations of representative offices, branches, heads of representative offices and heads of branches in their respective localities.
3. To direct provincial/municipal Trade Services in inspecting and examining representative offices and branches when deeming it necessary, or in organizing inter-branch inspection or examination delegations at the request of local professional agencies.

Article 26.- Provincial/municipal Trade Services shall have the following responsibilities:

1. To grant, re-grant, amend, supplement, extend and withdraw representative office establishment permits according to the provisions of Article 3 of this Decree.

2. To inspect and examine representative offices and branches when deeming it necessary according to the provisions of law or take part in inter-branch inspection or examination delegations under decisions of provincial-level People's Committees.

3. To annually report to the Trade Ministry on situation of grant, re-grant, amendment, supplementation, extension and withdrawal of representative office establishment permits in their respective localities.

4. To supply information and report to the Trade Ministry for the development of a database on representative offices and branches.

Article 27.- Inspection and examination

1. In the course of operation, representative offices and branches shall submit to the inspection or examination by the agencies defined in Articles 24, 25 and 26 of this Decree and other competent agencies defined by Vietnamese law. The inspection and examination of operation of representative offices and branches must ensure the proper performance of functions and competence and the compliance with the provisions of law on inspection and examination.

2. Persons who issue unlawful inspection or examination decisions or take advantage of inspection or examination to harass for bribes or cause troubles to operation of representative offices and branches shall, depending on seriousness of their violations, be disciplined or examined for penal liability. If causing damage, they shall have to pay compensations therefor according to the provisions of law.

Article 28.- Handling of violations

1. Foreign traders, representative offices and branches that commit acts of violation of the provisions of this Decree or commit any of the following specific acts of violation shall, depending on the nature and seriousness of their violations, be handled according to the provisions of law on handling of administrative violations:

a/ Failing to truthfully, accurately or promptly declare changes in dossiers of application for grant, re-grant, amendment, supplementation or extension of representative office or branch establishment permits;

b/ Failing to commence operation within the set time limit after being granted representative office or branch establishment permits;

c/ Failing to notify the permit-granting agencies of the date of operation commencement within the set time limit;

d/ Having no places to locate headquarters of their representative offices or branches, or sublease such headquarters;

e/ Failing to periodically report on operations of representative offices and branches the permit-granting agencies according to regulations;

f/ Failing to report or supply documents or explain matters related to operation of representative offices or branches at the request of competent state agencies;

g/ Failing to carry out procedures for amending, supplementing or re-granting permits according to the provisions of this Decree;

h/ Erasing, crossing out or modifying contents in granted permits;

i/ Conducting operations not stated in their permits;

j/ Failing to carry out or improperly carrying out procedures for operation termination according to the provisions of this Decree;

k/ Breaching the obligations of representative offices or branches and heads of representative offices or branches according to the provisions of this Decree;

l/ Continuing to operate after foreign traders have terminated their operation;

m/ Continuing to operate after competent state agencies withdraw representative office or branch establishment permits.

2. Representative offices and branches shall have their establishment permits withdrawn in the following cases:

a/ They fail to commence their operation within six months after being granted establishment permits;

b/ They cease their operation for six months in a row without reporting such to the establishment permit-granting agencies;

c/ They fail to periodically report on their operation for two consecutive years;

d/ They fail to send reports at the request of competent agencies within six months after being so requested in writing;

e/ They operate beyond their functions provided for by law.

3. Heads of representative offices or branches, who violate the provisions of this Decree shall, depending on the nature and seriousness of their violations, be administratively handled or examined for penal liability according to the provisions of law.

4. Foreign traders that organize their operation in Vietnam in form of representative offices or branches without representative office or branch establishment permits shall be compelled to terminate their operation in Vietnam and handled for their violations according to the provisions of Vietnamese law.

Article 29.- Complaints and denunciations

Foreign traders may lodge complaints or denunciations about the grant or refusal to grant representative office or branch establishment permits, illegal and troublesome decisions and acts of state employees or agencies. The lodging and settlement of complaints and denunciations shall comply with the provisions of law on complaints and denunciations.

Chapter V

IMPLEMENTATION PROVISIONS

Article 30.- Implementation effect

1. This Decree takes effect 15 days after its publication in “CONG BAO.”

2. This Decree replaces the provisions on representative offices and branches of foreign traders in the Government's Decree No. 45/2000/ND-CP of September 6, 2000, on Vietnam-based representative offices and branches of foreign traders and foreign tourist enterprises.

3. All previous stipulations on Vietnam-based representative offices and branches of foreign traders, which are contrary to the provisions of this Decree, are hereby annulled.

Article 31.- Transitional provisions

1. Representative offices and branches established before the effective date of this Decree may continue to operate in strict accordance with the contents of their granted permits and shall have to carry out procedures for re-grant of representative office or branch establishment permits according to the provisions of this Decree within six months after the effective date of this Decree.

2. Foreign cigarette companies' branches established before the effective date of this Decree shall operate according to separate regulations of the Prime Minister.

Article 32.- Organization of implementation

1. The Trade Minister shall have to guide the implementation of this Decree.

2. Ministers, heads of ministerial-level agencies, heads of Government-attached agencies and presidents of provincial/municipal People's Committees shall have to implement this Decree.

On behalf of the Government

Prime Minister

NGUYEN TAN DUNG