

**DECREE**

**Detailing the Commercial Law regarding  
Vietnam-based representative offices and branches of foreign traders**

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*Pursuant to the June 19, 2015 Law on Organization of the Government;*

*Pursuant to the June 14, 2005 Commercial Law;*

*Pursuant to November 29, 2006 Resolution No.71/2006/QH11 on ratification of the Protocol on Accession of the Socialist Republic of Vietnam to the World Trade Organization (WTO);*

*At the proposal of the Minister of Industry and Trade;*

*The Government promulgates the Decree detailing the Commercial Law regarding Vietnam-based representative offices and branches of foreign traders.*

**Chapter I**

**GENERAL PROVISIONS**

**Article 1.** Scope of regulation

1. This Decree details the Commercial Law regarding the establishment, operation, and rights and obligations of Vietnam-based representative offices and branches of foreign traders.

2. The establishment of representative offices and branches of foreign traders that operate in sectors regulated by specialized legal documents must comply with such specialized legal documents.

**Article 2.** Subjects of application

1. This Decree applies to foreign traders, Vietnam-based representative offices and branches of foreign traders.

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

**Article 3.** The right to establish Vietnam-based representative offices or branches of foreign traders

1. Foreign traders are entitled to establish in Vietnam their representative offices or branches according to Vietnam's commitments in treaties to which Vietnam is a contracting party.

2. A foreign trader may establish no more than one representative office or branch bearing the same name in the same province or centrally run city.

**Article 4.** Obligation of foreign traders toward operations of their representative offices and branches

Foreign traders shall take responsibility before law for all operations of their Vietnam-based representative offices or branches.

**Article 5.** Competence to grant representative office establishment licenses

1. The provincial-level Industry and Trade Department of a locality in which a representative office is scheduled to be located outside industrial parks, export processing zones, economic zones and hi-tech parks, may grant, re-grant, modify, extend and revoke the establishment license and terminate operation of the representative office in case the establishment of such representative office has not been regulated by any specialized legal document.

2. The management board of an industrial park, export-processing zone, economic zone or hi-tech park (below referred to as management board) may grant, re-grant, modify, extend and revoke the establishment license and terminate operation of a representative office located in the industrial park, export processing zone, economic zone or hi-tech park in case the establishment of representative office has not been regulated by any specialized legal document.

**Article 6.** Competence to grant branch establishment licenses

The Ministry of Industry and Trade may grant, re-grant, modify, extend or revoke the establishment license and terminate operation of a branch in case the establishment of such branch has not been regulated by any specialized legal document.

## **Chapter II**

### **GRANT, RE-GRANT, MODIFICATION AND EXTENSION OF ESTABLISHMENT LICENSES OF REPRESENTATIVE OFFICES AND BRANCHES**

**Article 7.** Conditions for grant of representative office establishment licenses

A foreign trader may be licensed to establish a representative office when meeting the following conditions:

1. The foreign trader has been established or has registered its operation under the law of a country or territory being member to a treaty to which Vietnam is a contracting party or recognized by the law of such country or territory.

2. The foreign trader has been operating for at least one year since its establishment or business registration.

3. In case the foreign trader's business registration certificate or equivalent paper indicates its term of operation, the remaining term must be at least one year by the date of submission of the application.

4. Contents of operation of the representative office must comply with Vietnam's commitments in treaties to which Vietnam is a contracting party.

5. In case contents of operation of the representative office fail to comply with Vietnam's commitments or the foreign trader is not located in a country or territory being member to a treaty to which Vietnam is a contracting party, the establishment of such representative office shall be approved by the minister of the ministry or the head of the ministerial- level agency performing the specialized management of the sector concerned (below referred to as the minister of the line ministry).

**Article 8.** Conditions for grant of branch establishment licenses

A foreign trader may be licensed to establish a branch when meeting the following conditions:

1. The foreign trader has been established or has registered its operation under the law of a country or territory being member to a treaty to which Vietnam is a contracting party or recognized by the law of such country or territory.

2. The foreign trader has been operating for at least 5 years since its establishment or business registration.

3. In case the foreign trader's business registration certificate or equivalent paper indicates its term of operation, the remaining term must be at least one year by the date of submission of the application.

4. Contents of operation of the branch must comply with Vietnam's commitments to market access in treaties to which Vietnam is a contracting party and with the business lines of the foreign trader.

5. In case contents of operation of the branch fail to comply with Vietnam's commitments or the foreign trader is not located in a country or territory being member to a treaty to which Vietnam is a contracting party, the establishment of such branch shall be approved by the minister of the line ministry concerned.

**Article 9.** Validity periods of representative office or branch establishment licenses

1. A representative office or branch establishment license has a validity period of up to five years, which must not exceed the remaining validity term of the business registration certificate or equivalent paper of the foreign trader in case such paper indicates a validity term.

2. The validity term of a re-granted establishment license of a representative office or branch must be equal to that of the previously granted license.

3. Representative office or branch establishment licenses may be extended under Clause 1 of this Article.

**Article 10.** Dossiers of application for representative office establishment licenses

1. A dossier shall be made in one set, comprising:

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

b/ A copy of the business registration certificate or equivalent paper of the foreign trader;

c/ The foreign trader's document on appointment of head of the representative office;

d/ Copies of audited financial statements or documents proving the fulfillment of tax liabilities or financial obligations in the latest fiscal year or equivalent paper issued or certified by a competent agency or organization of the locality where the foreign trader was established proving the actual existence and operation of the foreign trader in the latest fiscal year;

dd/ A copy of the passport, people's identity card or citizen's identity card (for a Vietnamese) or a copy of the passport (for a foreigner) of the head of the representative office;

e/ Documents on the expected location of the representative office, comprising:

- A copy of the memo of understanding or location rental agreement or a document proving the right to use the location for opening the representative office;

- A copy of the document on the expected location of the representative office under Article 28 of this Decree and relevant laws.

2. The documents mentioned at Points b, c, d and dd, Clause 1 of this Article (for the copy of the passport of the head of the representative office being a foreigner) must have their Vietnamese translations certified under Vietnamese law. The documents mentioned at Point b, Clause 1 of this Article shall be certified or consularly legalized by an overseas Vietnamese diplomatic mission or consulate under Vietnamese law.

**Article 11.** Order and procedures for grant of representative office establishment licenses

1. A foreign trader may submit its dossier directly, by post or online (if applicable) to the licensing agency of a locality where its representative office is planned to be located.

2. Within 3 working days after receiving the dossier, the licensing agency shall check and request the applicant to supplement its dossier if it is neither complete nor valid. The request for supplementation to the dossier shall be made only once during the handling of the dossier.

3. Except the case specified in Clause 4 of this Article, within 7 working days after receiving a complete and valid dossier, the licensing agency shall grant to the foreign trader a representative office establishment license or refuse to grant it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

4. In the case specified in Clause 5, Article 7 of this Decree and the case in which the establishment of representative offices has not yet been regulated in any specialized legal document, within 3 working days after receiving a complete and valid dossier, the licensing agency shall send a written request to the concerned line ministry for opinion. Within 5 working days after receiving the request of the licensing agency, the line ministry shall issue a document stating its opinion on the grant of the license. Within 5 working days after receiving the line ministry's reply, the licensing agency shall grant to the foreign trader a representative office establishment license or refuse to grant it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

**Article 12.** Dossier of application for branch establishment licenses

1. A dossier shall be made in one set, comprising:

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

b/ A copy of the business registration certificate or equivalent paper of the foreign trader;

c/ The foreign trader's document on appointment of head of the branch;

d/ Copies of audited financial statements or documents proving the fulfillment of tax liabilities or financial obligations in the latest fiscal year or equivalent paper issued or certified by a competent agency or organization of the locality where the foreign trader was established proving the actual existence and operation of the foreign trader in the latest fiscal year;

dd/ A copy of the branch's operation charter;

e/ A copy of the passport, people's identity card or citizen's identity card (for a Vietnamese) or a copy of the passport (for a foreigner) of the head of the branch;

g/ Documents on the expected location of the branch's office, comprising:

- A copy of the memo of understanding or location rental agreement or documents proving the right to use the location for the branch's office;

- A copy of the document on the expected location of the branch's office under Article 28 of this Decree and relevant laws.

2. The documents mentioned at Points b, c, d, dd and e Clause 1 of this Article (for the copy of passport of the head of the representative office being a foreigner) must have their Vietnamese translations certified under Vietnamese

law. The documents mentioned at Point b, Clause 1 of this Article shall be certified or consularly legalized by an overseas Vietnamese diplomatic mission or consulate under Vietnamese law.

**Article 13.** Order and procedures for grant of branch establishment licenses

1. A foreign trader may submit its dossier directly, by post or online (if applicable) to the licensing agency.

2. Within 3 working days after receiving the dossier, the licensing agency shall check and request the applicant to supplement its dossier if it is neither complete nor valid. The request for supplementation to the dossier shall be made only once during the handling of the dossier.

3. Except the case specified in Clause 4 of this Article, within 7 working days after receiving a complete and valid dossier, the licensing agency shall grant to the foreign trader a branch establishment license or refuse to grant it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

4. In the case specified in Clause 5, Article 8 of this Decree and the case in which the establishment of branches has not yet been regulated in any specialized legal document, within 3 working days after receiving a complete and valid dossier, the licensing agency shall send a written request to the concerned line ministry for opinion. Within 5 working days after receiving the request, the line ministry shall issue a document stating its opinion on the grant of the license. Within 5 working days after receiving line ministry's reply, the licensing agency shall grant to the foreign trader a branch establishment license or refuse to grant it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

**Article 14.** Cases of non-grant of representative office or branch establishment licenses

A licensing agency shall not grant to a foreign trader a representative office or branch establishment license in the following cases:

1. The foreign trader fails to satisfy one of the conditions specified in Article 7 of this Decree, for application for a representative office establishment license, or one of the conditions specified in Article 8 of this Decree, for application for a branch establishment license.

2. The foreign trader applies for a representative office or branch establishment license within 2 years after its license for establishment of a Vietnam-based representative office or branch is revoked under Article 44 of this Decree.

3. The establishment of representative office or branch is restricted for reasons of national defense, security, social order and safety, social morality and community well-being.

4. Other cases as prescribed by law.

**Article 15.** Cases of modification of representative office or branch establishment licenses

A foreign trader shall carry out procedures for modification of its representative office or branch establishment license in the following cases:

1. Change of the name or address of the foreign trader's head office.
2. Change of contents of operation of the foreign trader directly related to contents of operation of its branch in Vietnam.
3. Replacement of the head of the representative office or branch.
4. Change of the name of the representative office or branch.
5. Change of contents of operation of the representative office or branch
6. Change of the address of the representative office within a province or centrally run city or a geographical area under the management of a management board.
7. Change of the address of the branch's office.

**Article 16.** Dossiers of request for modification of representative office or branch establishment licenses

1. A dossier shall be made in one set, comprising:

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

- b/ Documents proving the change, specifically:

- For the change specified in Clause 1, Article 15 of this Decree: Copies of legally valid documents issued by a competent agency proving the change of the name or address of the foreign trader's head office.

- For the change specified in Clause 2, Article 15 of this Decree: Copies of legally valid documents issued by a competent agency proving the change of the contents of operation of the foreign trader.

- For the change specified in Clause 3, Article 15 of this Decree: The foreign trader's document on appointment of a new head of the representative office or branch; a copy of the passport, people's identity card or citizen's identity card (for a Vietnamese) or a copy of the passport (for a foreigner) of the new head; papers proving the incumbent head of the representative office or branch has fulfilled his/her personal tax liability by the time of replacement.

- For the change specified in Clause 6 or 7, Article 15 of this Decree: Copy of the memo of understanding or location rental agreement or a document proving the right to use the location for the representative office or branch's office; a copy of the document on the expected location of the representative office or branch under Article 28 of this Decree and relevant laws.

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

2. Foreign-language documents proving the changes mentioned in Clauses 1, 2 and 3 of Article 15 of this Decree (for the foreign trader's document on appointment of a new head of the representative office or branch and copy of the passport of the new head being a foreigner) must have their Vietnamese translations certified under Vietnamese law. The documents proving the changes mentioned in Clauses 1 and 2, Article 15 of this Decree shall be certified or consularly legalized by an overseas Vietnamese diplomatic mission or consulate under Vietnamese law.

**Article 17.** Order and procedures for modification of representative office or branch establishment licenses

1. Within 60 working days after any change specified in Article 15 of this Decree occurs, the foreign trader shall carry out procedures for modification of its representative office or branch establishment license.

2. A foreign trader may submit its dossier directly, by post or online (if applicable) to the licensing agency.

3. Within 3 working days after receiving the dossier, the licensing agency shall check and request the applicant to supplement its dossier if it is neither complete nor valid. The request for supplementation to the dossier shall be made only once during the handling of the dossier.

4. Except the case specified in Clause 5 of this Article, within 5 working days after receiving a complete and valid dossier, the licensing agency shall modify the representative office or branch establishment license or refuse to modify it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

5. In the case the modification of contents of operation of the representative office or branch will make the representative office fall into the case specified in Clause 5, Article 7, or the branch fall into the case specified in Clause 5, Article 8 of this Decree, and in the case in which the modification of contents of operation of such representative office or branch has not yet been regulated in any specialized legal document, within 3 working days after receiving a complete and valid dossier, the licensing agency shall send a written request to the concerned line ministry for opinion. Within 5 working days after receiving the request, the line ministry shall issue a document stating its opinion on the modification of the license. Within 5 working days after receiving the line ministry's reply, the licensing agency shall modify the representative office or branch establishment license or refuse to modify it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

**Article 18.** Cases of re-grant of representative office or branch establishment licenses



A foreign trader shall carry out procedures for re-grant of its representative office or branch establishment license in the following cases:

1. Relocation of its head office from a province or centrally run city or a geographical area under the management of a management board to another.
2. Its representative office or branch establishment license is lost, damaged or otherwise destroyed.

**Article 19.** Dossiers of request for re-grant of representative office or branch establishment licenses

1. For re-grant of a license in the case specified in Clause 1, Article 18 of this Decree, a dossier shall be made in one set, comprising:

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

b/ The notice of termination of operation of the representative office addressed to the licensing agency of the locality where the representative office is currently located under Point a, Clause 1, Article 36 of this Decree;

c/ A copy of the granted license;

d/ Document on the expected location of the representative office under Point e, Clause 1, Article 10 of this Decree.

2. For the re-grant specified in Clause 2, Article 18 of this Decree, a dossier shall be made in one set, comprising a written request for re-grant of the representative office or branch establishment license, made according to a form set by the Ministry of Industry and Trade and signed by the foreign trader's competent representative.

**Article 20.** Order and procedures for re-grant of representative office or branch establishment licenses

1. Within 30 days after notifying the termination of operation of the representative office at the current location, a foreign trader shall carry out procedures for re-grant of its representative office establishment license for the case specified in Clause 1, Article 18 of this Decree. Past this time limit, the foreign trader shall carry out procedures for grant of a representative office establishment license under Articles 10 and 11 of this Decree.

2. A foreign trader may submit its dossier directly, by post or online (if applicable) to the licensing agency.

3. Within 3 working days after receiving the dossier, the licensing agency shall check and request the applicant to supplement its dossier if it is neither complete nor valid. The request for supplementation to the dossier shall be made only once during the handling of the dossier.

4. Within 5 working days after receiving a complete and valid dossier, the licensing agency shall re-grant a representative office or branch establishment license or refuse to re-grant it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

**Article 21.** Cases of extension of representative office or branch establishment licenses

A foreign trader may request extension of its representative office or branch establishment license upon the expiration of the license, except the cases in which it has committed acts subject to revocation of representative office or branch establishment licenses specified in Article 44 of this Decree.

**Article 22.** Dossiers of request for extension of representative office or branch establishment licenses

1. A dossier shall be made in one set, comprising:

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

b/ A copy of the foreign trader's business registration certificate or equivalent paper;

c/ Copies of audited financial statements or documents proving the fulfillment of tax liabilities or financial obligations in the latest fiscal year or equivalent paper issued or certified by a competent agency or organization of the locality where the foreign trader was established proving the actual existence and operation of the foreign trader in the latest fiscal year;

d/ A copy of the granted representative office or branch establishment license.

2. The documents mentioned at Point b, Clause 1 of this Article must have their Vietnamese translations certified or consularly legalized by an overseas Vietnamese diplomatic mission or consulate under Vietnamese law. The documents mentioned at Point c, Clause 1 of this Article must have their translations certified under Vietnamese law.

**Article 23.** Order and procedures for extension of representative office or branch establishment licenses

1. At least 30 days before the expiration of a representative office or branch establishment license, a dossier of request for extension of the license shall be submitted.

2. A foreign trader may submit its dossier directly, by post or online (if applicable) to the licensing agency.

3. Within 3 working days after receiving the dossier, the licensing agency shall check and request the applicant to supplement its dossier if it is neither

complete nor valid. The request for supplementation to the dossier shall be made only once during the handling of the dossier.

4. Within 5 working days after receiving a complete and valid dossier, the licensing agency shall modify the representative office or branch establishment license or refuse to modify it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

5. In the case in which the extension of a representative office or branch establishment license has not yet been regulated in any specialized legal document, within 3 working days after receiving a complete and valid dossier, the licensing agency shall send a written request to the concerned line ministry for opinion. Within 5 working days after receiving the request, the line ministry shall issue a document stating its opinion on the extension of the license. Within 5 working days after receiving the line ministry's reply, the licensing agency shall extend the representative office or branch establishment license or refuse to extend it. In case of refusal, the licensing agency shall issue a document clearly stating the reason.

#### **Article 24.** Sending and preservation of licenses

1. The agency licensing the establishment of a representative office shall send copies of the license to the Ministry of Industry and Trade, line ministry (if related), tax agency, statistics office and public security office of the locality where the representative office is located.

2. The agency licensing the establishment of a branch shall send copies of the license to the line ministry (if related), tax agency, statistics office, public security office and provincial-level Industry and Trade Departments of the locality where the branch is located or to the management board (for branches located in industrial parks, exportprocessing zones, economic zones and hi-tech parks).

#### **Article 25.** Announcement of information on representative offices and branches

Within 45 days after granting, re-granted, modifying, extending or revoking a representative office or branch establishment license, a licensing agency shall post the following details on its website:

1. Name and address of the representative office or office of the branch.
2. Name and address of the head office of the foreign trader.
3. Head of the representative office or branch.
4. Serial number, date of grant and validity term of the representative office or branch establishment license, and the licensing agency.
5. Contents of operation of the representative office or branch.
6. Date of re-grant, modification, extension or revocation of the representative office or branch establishment license.

**Article 26.** Fees for grant, re-grant, modification and extension of representative office or branch establishment licenses

The Ministry of Finance shall specify fees for grant, re-grant, modification and extension of representative office or branch establishment licenses.

### **Chapter III**

## **OPERATION, RIGHTS AND OBLIGATIONS OF REPRESENTATIVE OFFICES AND BRANCHES**

**Article 27.** Management apparatus of representative offices and branches

1. The management apparatus and staff of a representative office or branch shall be decided by the foreign trader.

2. The employment of foreign workers for representative offices or branches must comply with the labor law and Vietnam's commitments in treaties to which Vietnam is a contracting party.

**Article 28.** Locations of representative offices and offices of branches

1. The location of a representative office or a branch's office must comply with Vietnamese regulations on security and order, occupational safety and health and other conditions.

2. A representative office or branch must not lend or sub-lease its office.

**Article 29.** Names of representative offices or branches

1. The name of a representative office or branch shall be written using the Vietnamese alphabet, the letters F, J, Z and W, numerals and symbols.

2. The name of a representative office or branch must include the name of its foreign trader and the phrase "representative office" or "branch".

3. The nameplate of a representative office or branch shall be put up at its office. The size of the name of the representative office or branch must be smaller than that of the name of its foreign trader printed on transaction documents, records and publications issued by the representative office or branch.

**Article 30.** Contents of operation of representative offices

A representative office shall perform the functions of a liaison office, study the market and promote business opportunities of the trader it represents, excluding services in which the establishment of representative offices is regulated in specialized legal documents.

**Article 31.** Contents of operation of branches

1. Branches shall provide services, excluding services in which the establishment of branches is regulated in specialized legal documents.

2. Branches engaged in conditional business lines must meet law-prescribed conditions.

### **Article 32.** Reporting on operation

1. Annually, before January 30, representative offices and branches shall send by post reports on their operations in the preceding year, made according to a form set by the Ministry of Industry and Trade, to the licensing agency.

2. Representative offices and branches shall make reports, supply documents on or explain matters related to their operation at the request of competent state management agencies.

### **Article 33.** Heads of representative offices or branches

1. The head of a representative office or branch shall take responsibility before the foreign trader within the scope of authorization for his/her own activities and his/her representative office's or branch's activities.

2. The head of the representative office or branch shall take responsibility for his/her own activities beyond the scope of authorization.

3. Upon exiting Vietnam, the head of a representative office or branch shall authorize in writing another person to exercise his/her rights and perform his/her obligations. The authorization shall be approved by the foreign trader. The head of the representative office or branch shall remain responsible for the exercise of the authorized rights and performance of the authorized obligations.

4. In case the period of authorization under Clause 3 of this Article expires but the head of the representative office or branch has not yet returned to Vietnam and no further authorization is made, the authorized person shall continue to exercise the rights and perform the obligations of the head within the scope of authorization until the head returns to work in the representative office or branch or until the foreign trader appoints another head for the representative office or branch.

5. In case the head of the representative office or branch is absent from Vietnam for more than 30 days without authorizing any other person to exercise his/her rights and perform his/her obligations or is dead, missing, held in custody, detained, imprisoned, or lose his/her civil act capacity or has his/her civil act capacity restricted, the foreigner trader shall appoint another head for the representative office or branch.

6. The head of a representative office may not concurrently hold the following posts:

a/ Head of a branch of the same foreign trader;

b/ Head of a branch of another foreign trader;

c/ At-law representative of the same foreign trader or others;

d/ At-law representative of an economic organization established under Vietnamese law.

7. In case a foreign trader authorizes the head of its representative office to sign a contract or amend a signed contract, it shall establish the authorization in writing for each contract signing or amendment.

8. The head of a branch may not concurrently hold the following posts:

a/ Head of a representative office of another foreign trader;

b/ Head of a representative office of the same foreign trader;

c/ At-law representative of an economic organization established under Vietnamese law.

**Article 34.** Rights and obligations of representative offices and branches

1. Representative offices and branches' lawful rights and interests shall be protected during their operation in Vietnam under Vietnamese law.

2. Representative offices and branches shall exercise their rights and perform their obligations in accordance with the Commercial Law and their licenses.

#### **Chapter IV**

### **TERMINATION OF OPERATION OF REPRESENTATIVE OFFICES AND BRANCHES**

**Article 35.** Cases of termination of operation of representative offices and branches

A representative office or branch shall terminate its operation in the following cases:

1. It is so requested by the foreign trader.

2. The foreign trader terminates its operation under the law of the country or territory in which such trader was established or registered its operation.

3. The foreign trader does not apply for extension of the representative office or branch establishment license upon the expiration of the operation period stated therein.

4. The licensing agency refuses to extend the representative office or branch establishment license upon the expiration of the operation period stated therein.

5. The representative office or branch establishment license is revoked under Article 44 of this Decree.

6. The foreign trader or its representative office or branch no longer satisfies one of the conditions specified in Articles 7 and 8 of this Decree.

**Article 36.** Dossiers of request for termination of operation of representative offices or branches

1. A dossier shall be made in one set, comprising:

a/ A notification of termination of operation of a representative office or branch, made according to a form set by the Ministry of Industry and Trade and signed by the foreign trader's competent representative, except the case specified in Clause 5, Article 35 of this Decree.

b/ A copy of the licensing agency's written refusal of extension of the representative office or branch establishment license (for the case specified in Clause 4, Article 35 of this Decree) or a copy of the licensing agency's decision on revocation of the representative office or branch establishment license (for the case specified in Clause 5, Article 35 of this Decree);

c/ Lists of creditors and owed debts, including outstanding taxes and social insurance premiums;

d/ Lists of employees and their benefits;

dd/ The original representative office or branch establishment license.

2. The foreign trader and head of the representative office or branch terminating its operation shall take joint responsibility for the truthfulness and accuracy of the dossier of request for termination of operation of the representative office or branch.

3. In case a representative office terminates its operation in a province or centrally run city or a geographical area under the management of a management board in order to be relocated to another, the dossier of request for termination of operation of the representative office must comprise documents specified at Points a, dd, Clause 1 of this Article.

**Article 37.** Order and procedures for handling of termination of operation of representative offices or branches

1. A foreign trader may submit directly, by post or online (if applicable) a dossier of request for termination of operation of its representative office or branch to the licensing agency.

2. Within 3 working days after receiving the dossier, the licensing agency shall check and request the applicant to supplement its dossier if it is neither complete nor valid. The request for supplementation to the dossier shall be made only once during the handling of the dossier.

3. Within 5 working days after receiving a complete and valid dossier, the licensing agency shall post the termination of operation of the representative office or branch on its website.

**Article 38.** Obligations resulting from termination of operation of representative offices or branches

1. Upon operation termination, in addition to carrying out the procedures for operation termination prescribed in Articles 36 and 37 of this Decree, the foreign trade and its representative office or branch shall display a notice of the

operation termination at its office and fulfill other obligations in accordance with law.

2. The foreign trader with a representative office or branch terminating its operation shall perform contracts, pay debts including outstanding taxes and fully provide lawful benefits for employees of such representative office or branch in accordance with law.

## **Chapter V**

### **STATE MANAGEMENT OF OPERATION OF VIETNAM-BASED REPRESENTATIVE OFFICES AND BRANCHES**

**Article 39.** The Ministry of Industry and Trade shall:

1. Establish forms of application or request for grant, re-grant, modification and extension of representative office establishment licenses, branch establishment licenses; the license forms, reporting forms for representative offices and branches; and reporting forms for provincial-level Industry and Trade Departments and management boards.

2. Publish Vietnam's commitments regarding representative offices and branches of foreign traders in treaties to which Vietnam is a contracting party.

3. Inspect and examine the state management of operation of representative offices and branches nationwide.

4. Assume the prime responsibility for, and coordinate with related ministries, sectors and localities in, inspecting and examining representative offices and branches when finding it necessary or at the request of other ministries, sectors or localities.

5. Assume the prime responsibility for, and coordinate with other ministries, sectors and localities in, building a database on representative offices and branches.

6. Handle violations of representative offices and branches according to its competence.

**Article 40.** Related ministries and sectors shall:

1. Coordinate with the Ministry of Industry and Trade, provincial-level Industry and Trade Departments and management boards in granting, modifying and extending establishment licenses of representative offices and branches under Clause 4 of Article 11, Clause 4 of Article 13, Clause 5 of Article 17, and Clause 5 of Article 23, of this Decree.

2. Coordinate with the Ministry of Industry and Trade, provincial-level Industry and Trade Departments and management boards in performing state management of operations of representative offices and branches under Clause 4 of Article 39, and Clause 3 of Article 41, of this Decree.



3. Coordinate with the Ministry of Industry and Trade in building a database on representative offices and branches under Clause 5, Article 39 of this Decree.

**Article 41.** Provincial-level People’s Committees shall:

1. Manage according to their competence operations of representative offices and branches in their localities.

2. Direct provincial-level Industry and Trade Departments and management boards in inspecting and examining representative offices and branches when finding it necessary or in organizing inter-sector inspection or examination teams at the request of state management agencies.

3. Coordinate with related ministries and sectors in performing the state management of operations of representative offices and branches in their localities.

**Article 42.** Provincial-level Industry and Trade Departments and management boards shall:

1. Manage according to their competence operations of representative offices and branches in their localities.

2. Annually, before January 30, report on the grant, re-grant, modification, extension and revocation of establishment licenses and termination of operation of representative offices in their localities to the Ministry of Industry and Trade.

**Article 43.** Handling of violations

Foreign traders, representative offices and branches that violate this Decree shall, depending on the nature and seriousness of their violations, be handled in accordance with the law on handling of administrative violations.

**Article 44.** Cases of revocation of representative office and branch establishment licenses

A representative office or branch shall have its establishment license revoked in the following cases:

1. Failing to operate for 1 year and failing to enter into transactions with the licensing agency.

2. Failing to report on its operation for 2 consecutive years.

3. Failing to send reports under Clause 2, Article 32 of this Decree to the licensing agency within 6 months from the deadline for submission or from the time of receiving a written request.

4. Other cases as prescribed by law.

## **Chapter VI**

### **IMPLEMENTATION PROVISIONS**

**Article 45.** Transitional provision

Representative offices established before the effective date of this Decree may continue to operate till the expiry date of their granted establishment licenses.

**Article 46.** Effect

1. This Decree takes effect on March 10, 2016.

2. This Decree replaces the Government's Decree No. 72/2006/ND-CP of July 25, 2006, detailing the Commercial Law regarding Vietnam-based representative offices and branches of foreign traders.

3. This Decree annuls Article 2 of the Government's Decree No. 120/2011/ND-CP of December 16, 2011, amending and supplementing a number of administrative procedures prescribed in some governmental decrees detailing the Commercial Law.

**Article 47.** Organization of implementation

Ministers, heads of ministerial-level agencies, heads of government-attached agencies and chairpersons of provincial-level People's Committees shall implement this Decree.-

*On behalf of the Government*  
Prime Minister  
NGUYEN TAN DUNG