

## LEGAL NEWSLETTER

**No. 22 – November 2024 – Capable Counsel**

### **I. Commercial sector**

#### **1.1. Circular 23/2024/TT-BCT regulating the management and use of industrial explosives and explosives precursors under the management of the Ministry of Industry and Trade issued on November 7, 2024**

This Circular details a number of articles of the Law on Management and Use of Weapons, Explosives and Combat Gears on Management and Use of Industrial Explosives and Explosives Precursors under the Management of the Ministry of Industry and Trade, including: List of Industrial Explosives, List of explosives precursors permitted to be produced, traded and used in Vietnam; competence to grant, re-grant and grant adjustments to licenses and certificates on management and use of industrial explosives and explosives precursors; competent management agencies shall issue written requests for permits for blasting services on the continental shelf or within the entire territory of the Socialist Republic of Vietnam; dossiers and procedures for new registration, additional registration for research, development, testing, evaluation and recognition of results of registration of explosive materials products in the stage of research, development, testing, production or first-time import into Vietnam into the list of industrial explosives permitted to be produced, business and use in Vietnam; assessment of safety risks, formulation of blasting plans, blasting passports, emergency response plans and periodic and irregular reporting regimes on the management and use of industrial explosives and explosives precursors; developing, managing, updating and exploiting databases on industrial explosives and explosives precursors for subjects under the management of the Ministry of Industry and Trade; forms of applications, permits and certificates of management and use of industrial explosives and explosives precursors; form of notice of use of industrial explosives, notice of implementation of blasting service activities.

Subjects of application: This Circular applies to agencies, organizations, enterprises and individuals related to the management and use of industrial explosives and explosives precursors in Vietnam.

The list of industrial explosives permitted to be produced, traded and used in Vietnam (hereinafter referred to as the list of industrial explosives), includes:

- Industrial explosives, industrial explosive accessories and strong explosives specified in Appendix I to this Circular;
- Industrial explosives in service of oil and gas exploration and exploitation shall be announced the applicable standards in accordance with the Law on Product and Goods Quality;
- Industrial explosives that have been recognized as registration results under the provisions of Article 7 of this Circular.

The list of explosives precursors permitted to be produced, traded and used in Vietnam (hereinafter referred to as the list of explosives precursors) is specified in Appendix II issued together with this Circular.

This Circular takes effect from January 1, 2025.

To annul Circular No. 13/2018/TT-BCT dated June 15, 2018 of the Minister of Industry and Trade regulating the management and use of industrial explosives and explosive precursors used for the production of industrial explosives; Circular No. 31/2020/TT-BCT dated November 30, 2020 of the Minister of Industry and Trade amending and supplementing a number of articles of Circular No. 13/2018/TT-BCT dated June 15, 2018 of the Minister of Industry and Trade regulating the management and use of industrial explosives and explosives precursors used for the production of industrial explosives; Clause 1, Clause 2, Clause 3, Article 12 of Circular No. 42/2019/TT-BCT dated December 18, 2019 of the Minister of Industry and Trade amending and supplementing a number of regulations on the periodic reporting regime in Circulars promulgated or jointly promulgated by the Minister of Industry and Trade.

## **1.2. Decree 148/2024/ND-CP amending Decree 54/2019/ND-CP regulating the business of karaoke and disco services dated November 12, 2024**

Amending and supplementing a number of articles of the Government's Decree No. 54/2019/ND-CP dated June 19, 2019 regulating the business of karaoke and disco services.

Replacing and supplementing the forms of the Appendix attached to Decree No. 54/2019/ND-CP:

- Replace Form No. 01 of the Appendix attached to Decree No. 54/2019/ND-CP with Form No. 01 of the Appendix attached to this Decree.
- Replace Form No. 02 of the Appendix attached to Decree No. 54/2019/ND-CP with Form No. 02 of the Appendix attached to this Decree.
- Replace Form No. 03 of the Appendix attached to Decree No. 54/2019/ND-CP with Form No. 03 of the Appendix attached to this Decree.
- Replace Form No. 04 of the Appendix attached to Decree No. 54/2019/ND-CP with Form No. 04 of the Appendix attached to this Decree.
- To add Form No. 06 after Form No. 05 of the Appendix to Decree No. 54/2019/ND-CP is Form No. 05 of the Appendix to this Decree.

This Decree takes effect from the date of signing for promulgation.

In case an enterprise or business household has submitted a dossier of application for issuance or adjustment of a license to meet business conditions before the effective date of this Decree but has not yet been granted, the order and procedures shall comply with the provisions of this Decree.

Enterprises or business households that have been granted business eligibility licenses before the effective date of this Decree may continue to operate according to the contents stated in the granted business eligibility licenses.

### **1.3. Circular 26/2024/TT-BCT regulating the method of setting up the electricity wholesale price bracket issued by the Minister of Industry and Trade on November 15, 2024**

This Circular provides for the method of formulating electricity wholesale price brackets, electricity wholesale prices, and sample electricity wholesale purchase contracts of the Electricity Corporation.



This Circular applies to the Electricity of Vietnam; Power Corporations; relevant organizations and individuals.

The model power purchase contract specified in the Appendix issued together with this Circular is the basis for negotiation and signing by the Seller and the Buyer. The seller and the buyer have the right to agree and agree to supplement the terms specified in the sample electricity wholesale purchase contract in accordance with the law.

The Electricity of Vietnam shall report to the Electricity Regulatory Authority to inspect the power purchase contract after the negotiation and signing of the power purchase contract in accordance with law.

This Circular takes effect from December 30, 2024.

## **II. Taxes, fees and charges**

### **2.1. Decree 144/2024/ND-CP amending Decree 26/2023/ND-CP on Export Tariff, Preferential Import Tariff, List of goods and absolute tax rates, mixed taxes, import taxes outside tariff quotas dated November 1, 2024**

To amend export tax rates and preferential import tax rates for a number of goods specified in Appendix I - Export Tariff, Appendix II - Preferential import tariffs according to the List of taxable goods specified in Article 3 of the Government's Decree No. 26/2023/ND-CP dated May 31, 2023 into export tax rates, the new preferential import tax rates specified in Appendices I and II promulgated together with this Decree.

This Decree takes effect from December 16, 2024.

Preferential import duty rates of goods items of heading 24.04, goods with HS code 8543.40.00 in Appendix II of the Preferential Import Tariff Schedule according to the List of taxable goods promulgated together with this Decree shall be applied in case these goods items are allowed to be imported into Vietnam in accordance with law.

### **2.2. Circular 34/2024/TT-BGTVT regulating the operation of road toll booths issued by the Minister of Transport on November 14, 2024.**



This Circular provides for the operation of road toll booths.

This Circular applies to organizations and individuals involved in the operation of road toll booths.

The collection of road use levy shall be carried out in the form of non-stop electronic and one-stop form.

The non-stop electronic form is a form of automatic road use levy, vehicles participating in road traffic do not have to stop to pay road use levy when passing through toll booths.

The form of one-stop is a form of road use levy collection in which when passing through a toll booth or road vehicle makes a stop when passing through the toll lane control gate to pay the road use levy.

This Circular takes effect from January 1, 2025 and replaces Circular No. 45/2021/TT-BGTVT dated December 31, 2021 of the Minister of Transport regulating the operation of road toll booths.

### **2.3. Law on Value Added Tax 2024**

This Law provides for taxable subjects, non-taxable subjects, taxpayers, bases and methods of tax calculation, deduction and refund of value-added tax.

Goods and services used for production, business and consumption in Vietnam are subject to VAT, except for those specified in Article 5 of this Law.

Taxable prices are prescribed as follows:

- For goods and services sold by business establishments, the selling prices are exclusive of VAT; for goods and services subject to excise tax, it is the selling price for which excise tax has been paid but has not yet been VAT; for goods subject to environmental protection tax, it is the selling price for which environmental protection tax has been paid but no value-added tax; for goods subject to excise tax and environmental protection tax, it is the selling price with excise tax and environmental protection tax but without value-added tax;

- For imported goods, it is the value of import tax calculation in accordance with the law on export tax, import tax plus import tax plus taxes are additional import tax as prescribed by law (if any), plus excise tax (if any) and plus environmental protection tax (if any);
- For goods and services used for exchange, internal consumption, donation, or deemed value-added tax calculation prices of goods and services of the same or equivalent type at the time of occurrence of these activities.
- For asset leasing activities, it is the lease amount exclusive of VAT.

Amending and supplementing Clause 1, Article 3 of the Law on Personal Income Tax No. 04/2007/QH12 has been amended and supplemented with a number of articles under Law No. 26/2012/QH13 and Law No. 71/2014/QH13.

This Law takes effect from July 1, 2025, except for the case specified in Clause 2 of this Article.

Regulations on turnover of production and business households and individuals subject to non-tax in Clause 25, Article 5 of this Law and Article 17 of this Law take effect from January 1, 2026.

The Law on Value Added Tax No. 13/2008/QH12 has been amended and supplemented a number of articles under Law No. 31/2013/QH13, Law No. 71/2014/QH13 and Law No. 106/2016/QH13 which have ceased to be effective from the effective date of this Law.

#### **2.4. Law amending the Law on Securities, Law on Accounting, Law on Independent Audit, Law on State Budget, Law on Management and Use of Public Assets, Law on Tax Administration, Law on Personal Income Tax, Law on National Reserves, Law on Handling of Administrative Violations 2024**

Amending and supplementing a number of articles of the Law on Securities.

Amending and supplementing a number of articles of the Accounting Law.

Amending and supplementing a number of articles of the Law on Independent Audit.

Amending and supplementing a number of articles of the Law on the State Budget.



Amending and supplementing a number of articles of the Law on Management and Use of Public Property.

Amending and supplementing a number of articles of the Law on Tax Administration.

Amending and supplementing a number of articles of the Law on National Reserves.

Amending and supplementing a number of articles of the Law on Personal Income Tax.

Amending and supplementing a number of articles of the Law on National Reserves.

Amending and supplementing a number of articles of the Law on Handling of Administrative Violations.

This Law takes effect from January 1, 2025, except for the cases specified in Clauses 2, 3, 4 and 5 of this Article.

Regulations on professional securities investors participating in the purchase, trading and transfer of individual corporate bonds are amended and supplemented at Point b, Clause 3 and Clause 9, Article 1 of this Law; the provisions on equity at Point a, Clause 11, Article 1 of this Law take effect from January 1, 2026.

For individual corporate bonds offered for sale before January 1, 2026 and remaining outstanding debts, the provisions of the Law on Securities No. 54/2019/QH14 and the Law on Enterprises No. 59/2020/QH14 as amended and supplemented by a number of articles under Law No. 03/2022/QH15 until the issuer pays the principal in full. interest on bonds.

For individual corporate bond offerings that have sent pre-IPO information disclosure to the Stock Exchange before January 1, 2026 but have not completed the distribution of bonds, continue to distribute bonds in accordance with the provisions of the Securities Law No. 54/2019/QH14 and the amended Enterprise Law No. 59/2020/QH14. supplementing a number of articles under Law No. 03/2022/QH15; after completing the distribution of individual corporate bonds, the provisions of this Law shall be complied with.

## **2.5. Decree 153/2024/ND-CP regulating environmental protection fees for exhaust gases in 2024**

This Decree provides for charge-bearers and charge-payers; organize the collection of fees; methods of charge calculation, charge collection rates, declaration, appraisal of declaration and payment of charges, management and use of environmental protection charges for exhaust gases.

Subjects subject to environmental protection charges for emissions specified in this Decree are dust and industrial exhaust gases discharged into the environment that must be treated of projects, production, business and service establishments subject to environmental licenses in accordance with the law on environmental protection, including the content of licensing for exhaust gas discharge (hereinafter referred to as exhaust gas discharge establishments).

This Decree takes effect from January 5, 2025.

The payment of environmental protection charges for exhaust gases under the provisions of this Decree is not a basis for certifying the lawful discharge of exhaust gas discharge establishments. Establishments discharging exhaust gases that violate the law on environmental protection shall be handled for violations in accordance with the law on environmental protection.

In case the legal documents referred to in this Decree are amended, supplemented or replaced, such amended, supplemented or replaced documents shall apply.

### **III. Field of labor – salary:**

#### **3.1. Circular 95/2024/TT-BQP guiding the implementation of the bonus regime for salaried beneficiaries from the state budget under the management of the Ministry of National Defense dated November 11, 2024**

This Circular guides the implementation of the annual bonus regime and the irregular bonus regime for salaried beneficiaries from the state budget under the management of the Ministry of National Defense.

Subjects of application:

- Officers, professional soldiers, defense workers, defense officials and civil servants working in the Army (defense civil servants).



- Persons working in cipher work, persons doing other work in cipher organizations at the Government Cipher Committee.
- Relevant agencies, units, organizations and individuals.

This Circular takes effect from December 25, 2024.

The annual bonus regime specified in this Circular shall be implemented from July 1, 2024.

Amending Clause 1, Article 9 of Circular No. 198/2016/TT-BQP dated November 30, 2016 of the Minister of National Defense regulating the arrangement of use; assessment and classification of professional soldiers, defense workers and public employees in the standing force of the People's Army, amended and supplemented in Circular No. 144/2018/TT-BQP dated September 26, 2018 as follows:

*"The time of assessment and classification is carried out in November every year (from November 1 of the previous year to October 31 of the year of assessment and classification). In case of transfer of work, the receiving agency, organization or unit shall be responsible for evaluating and classifying on the basis of combining comments of the agency, organization or unit before transferring work. In case of reduction of the number of troops outside the Army, the time of assessment and classification shall be carried out in the month immediately preceding the month in which the number of troops is reduced and the time of assessment and classification shall be up to the end of that month; particularly in 2024, cases where the number of troops has been reduced outside the Army after July 31, 2024 but have not been assessed and classified, additional assessment and classification will be carried out in November 2024".*

### **3.2. Trade Union Law 2024 promulgated by the National Assembly on November 27, 2024**

The Vietnam Trade Union is a broad socio-political organization of the working class and of the workers, established on a voluntary basis, a member of the political system led by the Communist Party of Vietnam; represent workers, cadres, civil servants, public employees and employees (hereinafter collectively referred to as employees), together with state agencies, economic organizations and social organizations to take care of and protect the lawful and legitimate rights and



interests of employees; participate in state management and socio-economic management; social supervision and criticism; participate in examining, inspecting and supervising the activities of state agencies, organizations, units and enterprises on issues related to the rights and obligations of employees; propagating and mobilizing laborers to study to improve their professional qualifications and skills, abide by the law, participate in emulation movements, build and defend the Fatherland.

This Law stipulates the functions, tasks, rights and responsibilities of the Vietnam Trade Union; the right to establish, join and operate trade unions of employees; the joining of the Vietnam Trade Union by the organization of employees at the enterprise; rights and responsibilities of trade union members; responsibilities of the State, agencies, organizations, units, enterprises, and employers towards the Trade Union; ensure the operation of the Trade Union; settling disputes and handling violations of the law on trade unions.

This Law applies to trade unions at all levels, state agencies, political organizations, socio-political organizations, socio-political-professional organizations, socio-professional organizations, units, enterprises and other organizations employing laborers in accordance with the labor law. foreign agencies and organizations and international organizations operating in the territory of Vietnam (hereinafter collectively referred to as agencies, organizations, units and enterprises); organizations of employees at enterprises, trade union members, employees and other organizations and individuals related to trade union organizations and activities.

This Law takes effect from July 1, 2025.

The Law on Trade Unions No. 12/2012/QH13 expires from the effective date of this Law.

#### **IV. Investment Fields**

##### **4.1. Circular 58/2024/TT-BGTVT regulating investment in bus stops, parking spots and the location and scale of rest stops, bus stops, and parking on expressways issued by the Minister of Transport on November 15, 2024**



This Circular details Clauses 3 and 4, Article 52 of the Law on Roads.

This Circular applies to organizations and individuals involved in decisions on investment in bus stops and parking spots and determination of locations and sizes of rest stops, bus stops and parking spots on expressways.

This Circular takes effect from January 1, 2025.

For rest stops that have been approved and decided on their location and scale before the effective date of this Circular, they shall continue to comply with the approved contents.

**4.2. Circular 22/2024/TT-BKHDT guiding the provision and publication of information on contractor selection and bidding dossier forms on the National Procurement Network System issued by the Minister of Planning and Investment on November 17, 2024**

This Circular provides guidance on the provision and publication of information on contractor selection and bidding dossier forms.

Subjects of application:

- Organizations and individuals involved in the selection of contractors fall within the scope of adjustment specified in Article 1 of this Circular.
- Organizations and individuals engaged in contractor selection activities that do not fall within the scope of adjustment specified in Article 1 of this Circular but choose to apply the provisions of this Circular. In this case, the process shall comply with the User Manual on the National Procurement Network System.

This Circular takes effect from January 1, 2025, except for the following provisions that take effect from December 1, 2024.

From the effective date of this Circular, Circular No. 06/2024/TT-BKHDT ceases to be effective.

In case the information in the process of contractor selection needs to be confidential and cannot be disclosed on the System, the competent person shall decide on the posting of information in the process of contractor selection.

#### **4.3. Circular 27/2024/TT-BCT regulating criteria for evaluating bids and bidding dossier forms for selecting investors to implement energy project investment projects issued by the Minister of Industry and Trade on November 21, 2024**

This Circular stipulates:

- Detailing Clause 2, Article 49 of the Government's Decree No. 115/2024/ND-CP dated September 16, 2024 detailing a number of articles and measures to implement the Law on Bidding on selection of investors to implement investment projects using land (hereinafter referred to as Decree No. 115/2024/ND-CP) on criteria for evaluating the effectiveness of investment in sector development, fields and localities for energy project investment projects.
- Details of Point m, Clause 1, Article 47 of Decree No. 115/2024/ND-CP on technical assessment criteria in evaluating business investment plans of investors implementing energy project investment projects.
- Form of bidding dossier for selection of investors to implement energy project investment projects.

Subjects of application:

- Organizations and individuals related to the bidding for the selection of project investors are specified in Clause 6, Article 3 of Decree No. 137/2013/ND-CP dated October 21, 2013 detailing the implementation of a number of articles of the Electricity Law and the Law amending and supplementing a number of articles of the Electricity Law supplemented in Clause 1, Article 70 of Decree No. 115/2024/ND-CP.
- Organizations and individuals engaged in the selection of investors to implement energy project investment projects that are not subject to the application specified in Clause 1 of this Article may choose to apply this Circular.

This Circular takes effect from the date of signing for promulgation.

#### **4.4. Law on Public Investment 2024 promulgated by the National Assembly on November 29, 2024**

This Law provides for the state management of public investment; management and use of public investment capital; rights, obligations and responsibilities of agencies, units, organizations and individuals related to public investment activities.

This Law applies to agencies, units, organizations and individuals participating in or related to public investment activities, management and use of public investment capital.

This Law takes effect from January 1, 2025.

The Law on Public Investment No. 39/2019/QH14 which has been amended and supplemented under Law No. 64/2020/QH14, Law No. 72/2020/QH14, Law No. 03/2022/QH15, Law No. 27/2023/QH15 and Law No. 38/2024/QH15 (hereinafter referred to as the Law on Public Investment No. 39/2019/QH14) shall cease to be effective from the effective date of this Law. except for the cases specified in Clauses 2 and 3, Article 103 of this Law.

For localities that pilot a number of specific mechanisms and policies or apply the urban government model, comply with the provisions of this Law and the National Assembly's Resolution. In case there are different provisions between this Law and the National Assembly's Resolution on the same issue, the application shall be decided by the provincial-level People's Council.

## **V. Banking Monetary Sector**

### **5.1. Decision 2411/QD-NHNN in 2024 on the maximum interest rate for deposits in Vietnam dong of organizations and individuals at credit institutions and foreign bank branches in accordance with the provisions of Circular 48/2024/TT-NHNN issued by the Governor of the State Bank of Vietnam on November 1, 2024**

The maximum interest rate for deposits in Vietnam dong of organizations (except credit institutions and foreign bank branches) and individuals at credit institutions and foreign bank branches as prescribed in Circular No. 48/2024/TT-NHNN dated September 30, 2024 is as follows:

- The maximum interest rate applicable to demand deposits with a term of less than 1 month is 0.5%/year.

- The maximum interest rate applicable to term deposits from 1 month to less than 6 months is 4.75%/year; Particularly, the People's Credit Fund and Microfinance Institutions shall apply the maximum interest rate for term deposits from 1 month to less than 6 months at 5.25%/year.

This Decision takes effect from November 20, 2024 and replaces Decision No. 1124/QĐ-NHNN dated June 16, 2023 of the Governor of the State Bank on the maximum interest rate for deposits in Vietnam dong of organizations and individuals at credit institutions, foreign bank branches as prescribed in Circular No. 07/2014/TT-NHNN dated March 17, 2014.

Interest rates on deposits in Vietnam dong of organizations and individuals at credit institutions and foreign bank branches incurred before the effective date of this Decision shall be applied until the expiration of the term; in case the agreed time limit expires and the organization or individual fails to collect the deposit, the credit institution or foreign bank's branch shall apply the interest rate on the deposit according to the provisions of this Decision.

**5.2. Circular 52/2024/TT-NHNN stipulates that commercial banks with shareholders, shareholders and related persons owning shares in excess of the ratio specified in Article 55 of the Law on Credit Institutions 2010 as amended under the Law on Credit Institutions 2017 shall develop and implement a roadmap to ensure compliance with the provisions of the Law on Credit Institutions 2024 issued by the Governor of the State Bank of Vietnam on November 29, 2024**

This Circular stipulates that commercial banks (except commercial banks subject to early intervention and commercial banks under special control) have shareholders, shareholders and related persons owning shares in excess of the ratio specified in Article 55 of the amended Law on Credit Institutions No. 47/2010/QH12. supplementing a number of articles under Law No. 17/2017/QH14 (hereinafter referred to as "owning shares in excess of proportion") to develop and implement a roadmap to ensure compliance with the provisions of the Law on Credit Institutions No. 32/2024/QH15 (hereinafter referred to as the "compliance roadmap").

The duration of the compliance roadmap shall be determined by the commercial bank in coordination with shareholders, shareholders and related persons who own





shares in excess of the ratio specified in the compliance roadmap. The compliance roadmap duration must be consistent with the restructuring scheme/plan of shareholders, shareholders and related persons or other decisions/documents approved by the competent authorities of shareholders, shareholders and related persons (if any).

This Circular takes effect from January 15, 2025.

From the effective date of this Circular, the Circular No. 06/2015/TT-NHNN dated June 1, 2015 of the Governor of the State Bank stipulating the time limit, order and transitional procedures for the case of owning shares in excess of the limit specified in Article 55 of the Law on Credit Institutions expires.