

COUNTRY GUIDE

VIETNAM



Since its independence from France after World War II and the unification of the north and south in 1975, Vietnam has become one of today's fastest developing nations. Its young population, stable political system, relatively low inflation, increasing FDI inflows, strong manufacturing sector, and its government's commitment to global economic integration and sustainable growth have demonstrated that Vietnam is becoming an increasingly important global player.

GROWING ECONOMY

Vietnam's economy began transitioning to a more industrial market-based economy after the enactment of the "doi moi" (renovation) policy in 1986. Its goal was to enable Vietnam to become a modernized and competitive economy.

DEVELOPING INFRASTRUCTURE

An increase in foreign investment has led to a construction boom aimed at building up the country's infrastructure to meet the demands of both its people and growing trade. The construction sector has received massive support from Vietnam's government.

SERVICES AND TOURISM

Only until 1997 could tourists travel freely in Vietnam, since then the country has seen a surge in visitors from around the world. Today, the services industry generates over 38% of the country's GDP and Vietnam has become one of the most attractive tourist destinations in South East Asia.

ELECTRONICS

Vietnam has made considerable investments in the manufacturing of electronics as demand for these products has increased significantly. This sector now contributes about 24% of the country's GDP.



Geography

Location: Vietnam is located in Southeastern Asia, bordering the Gulf of Thailand, Gulf of Tonkin, and South China Sea, as well as China to the north, and Laos and Cambodia to the west.



Area: 331,210 sq km

Time Zone: Indochina Time (GMT+7)



Population

98,721,275 (est. 2020)



Language(s)

Vietnamese



Economy

Electronics, Food Processing, Construction, Mining, Services and Tourism, Banking and Finance, among others.



Capital City

Hanoi



Currency

Vietnamese Dong (VND)



Political structure

Stable



Legal system

Civil Law

Main Types of Legal Entities

	SINGLE-LIMITED LIABILITY COMPANY	MULTI-MEMBER LIMITED LIABILITY COMPANY (2M-LLC)	JOINT STOCK COMPANY (JSC)
Share capital			
Minimum paid-up	No minimum required, except for some strictly regulated businesses.	No minimum required, except for some strictly regulated businesses.	No minimum required, except for some strictly regulated businesses.
Maximum authorized	N/A	N/A	N/A
Usual currency	Vietnamese Dong (VND)	Vietnamese Dong (VND)	Vietnamese Dong (VND)
Permitted currencies	No restrictions	No restrictions	No restrictions
Domiciliation			
Registered address	Required	Required	Required
Directors			
Minimum number	One	One	Three
Minimum local	One	One	One
Corporate directors	Allowed	Allowed	Allowed
Statutory			
Annual filing	Required	Required	Required
Company secretary	Not applicable in this jurisdiction.	Not applicable in this jurisdiction.	Not applicable in this jurisdiction.
Annual general meeting (AGM)	Not required	Required	Required
Beneficial owner reporting	Not required	Not required	Not required
Re-domiciliation	Permitted	Permitted	Permitted
Financial administration			
Audit required	Required to be completed by an independent licensed auditor in Vietnam.	Required to be completed by an independent licensed auditor in Vietnam.	Required to be completed by an independent licensed auditor in Vietnam.
Filing of annual return	Returns must be filed annually with local tax authorities.	Returns must be filed annually with local tax authorities.	Returns must be filed annually with local tax authorities.
Tax			
Tax rates	20%	20%	20%
VAT	10%	10%	10%
Tax treaties	Negotiated with 80+ countries.	Negotiated with 80+ countries.	Negotiated with 80+ countries.
Other taxes	Withholding tax, import duties, social security, capital assignment profits tax, etc.	Withholding tax, import duties, social security, capital assignment profits tax, etc.	Withholding tax, import duties, social security, capital assignment profits tax, etc.
Government fees			
Registry fee	Approximately \$50	Approximately \$50	Approximately \$50
License fee	Specific licenses may be required depending on the type of business.	Specific licenses may be required depending on the type of business.	Specific licenses may be required depending on the type of business.

This information is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

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Main Types of Legal Entities

	SINGLE-LIMITED LIABILITY COMPANY	MULTI-MEMBER LIMITED LIABILITY COMPANY (2M-LLC)	JOINT STOCK COMPANY (JSC)
Incorporation process			
Summary	<ul style="list-style-type: none"> ➤ Obtain an Investment Registration Certificate (IRC) ➤ Obtain an Enterprise Registration Certificate (ERC) ➤ Make a public announcement of the entity establishment ➤ Create a corporate seal and publishing its sample to the national enterprise registration portal ➤ Applying for specific licenses based on the business type. 	<ul style="list-style-type: none"> ➤ Obtain an Investment Registration Certificate (IRC) ➤ Obtain an Enterprise Registration Certificate (ERC) ➤ Make a public announcement of the entity establishment ➤ Create a corporate seal and publishing its sample to the national enterprise registration portal ➤ Applying for specific licenses based on the business type. 	<ul style="list-style-type: none"> ➤ Obtain an Investment Registration Certificate (IRC) ➤ Obtain an Enterprise Registration Certificate (ERC) ➤ Make a public announcement of the entity establishment ➤ Create a corporate seal and publishing its sample to the national enterprise registration portal ➤ Applying for specific licenses based on the business type.
Time	Depending on the type of business, about one month.	Depending on the type of business, about one month.	Depending on the type of business, about one month.
Other			
Are shelf corporations available?	Not commonly used in this jurisdiction	Not commonly used in this jurisdiction	Not commonly used in this jurisdiction

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CT Service Offerings – Vietnam



Global Transactional Services

- Due diligence searches
 - Certificate of Good Standing (or equivalent)
 - Health check services
 - Liens/charges
 - Litigation
 - Bankruptcy
- Document retrieval
 - Articles of Incorporation
 - Memorandum of Association
 - Chamber of Commerce Extract
- Authentications and legalizations
- Board changes
- Company searches
- Incorporations
- Liquidation of entities
- Process agent appointments
- Translation services
- Global Entity Management

Corporate Secretarial Services

- Annual compliance
 - Statutory filings
 - Annual board resolution drafting
 - Corporate minute book management
- Domiciliation/Registered Address
- Director Services and Legal Representation

To learn more about how CT can help you better manage your global compliance needs, contact a CT representative at 855.444.5358 (toll-free U.S.).

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