GUIDE TO ESTABLISHING A

FOREIGN OWNED COMPANY IN VIETNAM

1. Preparation & Documentation

Most sectors in Vietnam are open for foreign investors, however certain sectors have specific requirements and limitations. Determination of relevant laws and business lines will dictate documents required for initial setup.

> Required Documents, identifying foreign corporate and individual owners, need to be fully prepared before the application process can commence.

> Applicants must pre-arrange a leased address in Vietnam, a resident Legal Representative, and have sufficient evidence of access to initial charter / investment capital.

2. IRC Application / Lodgement

The **Investment Registration Certificate** is the key approval document permitting a foreign investor to establish a company in Vietnam, detailing their approved "project" in Vietnam. The application is akin to a business plan, and forms the basis of the approved activities of the entity.

> Timeframe: approximately 15 working days from submision to receive IRC approval, however actual timeframes can vary depending on a range of factors. Issued by the Department of Finance ("DoF") in the province the company is to be registered.

3. ERC Application / Lodgement

The Enterprise Registration Certificate is evidence of the formal establishment of an entity in Vietnam, and details essential information on the company. The document forms a similar purpose to a certificate of incorporation in other jurisdictions. Once this has been approved and received, the comapny is established

> Timeline: 3-6 working days from submission to receive final ERC document, however timeframes can vary depending on various factors. Issue by the Business Registration Division of the province of the province.

4. Post Establishment Obligations

Obligations following ERC issuance include:

> Opening a bank account (Including Direct Investment Capital Account - "DICA") (Commited capital must be deposited into the DICA within 90 days from the ERC date).

> Tax Registration, VAT registration, Chief Accountant appointment

> Appointment of General Director

> Engraving of Company Stamp, Registration with Statistics Office

5. Sub-License Application(s)

Certain sectors or activities will require sub-license or similar post-establishment applications. These vary, and can include actions such as retail location registration, professional registrations with ministries/departments, and health and safety requirements for food & beverage outlets.

> Timelines can vary dramatically and require advance planning, specifically if the employment of specific individuals and their requisite qualification form part of the application requirements.

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