

LEGAL UPDATES (November 30th, 2020)

In these legal updates, we would like to send clients the legal updates on some following issues:

- New points of the Residence Law 2020 passed by the National Assembly on November 13, 2020.
- Some notable points in the Law on Vietnamese employees working abroad under contracts 2020.
- The new Law on Environmental Protection (amended) and notable contents.

1. **New points of the Residence Law 2020 passed on November 13, 2020**

On November 13, 2020, the National Assembly passed the 2020 Residence Law with the following new points:

- (i) From July 1, 2021, the issued household registration book and temporary residence book will be still valid until December 31, 2022. Population management agencies only update and adjust citizen information in the database on residence, do not re-issue or renew household registration books and temporary residence books.
- (ii) The management of citizens' residence will be implemented digitally through the National Database of Population, Residence and Personal Identification Numbers. Each citizen have only one permanent residence and no more than one temporary residence.
- (iii) Some administrative procedures related to household registration books and temporary residence books are no longer mentioned in this Law such as: Separation of household registration books, Adjusting and changing information on residence, ...
- (iv) Shortening the period of permanent residence registration from 15 days (Residence Law 2006) to 07 days (Residence Law 2020).
- (v) There is no longer a separate requirement for permanent residence registration in Hanoi and Ho Chi Minh City.
- (vi) Citizens who rent, borrow or stay at home with the consent of the head of the household or the lawful homeowner to register permanent residence at the place where the permanent residence is rented, borrowed or resided if the condition for the minimum house area is not less than 08 m² of floor/person.

The Law on Residence 2020 will take effect from July 1, 2021.

2. **Some notable points in the Law on Vietnamese employees working abroad under contracts 2020**

On November 13, 2020, the National Assembly passed the Law on Vietnamese workers working abroad under contracts 2020. Here are some notable new points:

- (i) Supplementing the scope of adjustment on vocational skills training, foreign language, orientation education for employees; Overseas Employment Support Fund; policies for employees; state management.
- (ii) Supplementing prohibited acts when sending workers abroad such as: enticing, seducing, promising, advertising, providing false information or using other tricks to deceive workers Labor discrimination, forced labor, Application of measures to ensure the performance of other obligations, in addition to escrow and guarantee, ...
- (iii) In order to be granted a service operation license to send workers abroad under a contract, an enterprise needs to have a charter capital of VND 5 billion or more.
- (iv) This Law has removed the regulation that workers abroad under the contract have to repay a part or all of the monetary environment to service enterprises.
- (v) Employees are entitled to unilaterally terminate their contracts when they are mistreated, forced to work by their employers or are in obvious danger of threatening their life, health or being sexually harassed during performing the work.

The Law on Vietnamese workers working abroad under contracts 2020 will take effect from January 1, 2022.

3. The new Law on Environmental Protection (amended) and notable contents

On November 17, 2020, the Law on Environmental Protection (amended) was officially passed by the National Assembly. The remarkable contents related to the assessment of the environmental impact are as follows:

- (i) In terms of scope of the law, this Law stipulates that the residential community is a subject in environmental protection, enhances information disclosure, consultation, and promotes the role of supervision, to criticize, and at the same time ensure the rights and interests of the community when participating in environmental protection activities.
- (ii) Classification of investment projects into groups: high risk of adverse impacts on the environment; risk of negative impact on the environment; less risk of negative impact on the environment; There is no risk of adverse impact on the environment through environmental criteria. Corresponding to each specific project object, the State management agency will apply appropriate management mechanisms.
- (iii) This is the first time residential community is defined as a subject in environmental protection; enhancing information disclosure, consultation, and promoting the role of the community in environmental protection activities. Responsibilities of project owners in consultation with residential communities are regulated right from the date Environmental Impact Assessment report is prepared.

- (iv) For the first time, environmental auditing is regulated in the law to enhance the environmental management capacity and efficiency of enterprises.
- (v) Strongly reform, cut more than 40% of administrative procedures, reduce the time to perform administrative procedures from 20 to 85 days, contribute to reducing compliance costs of businesses.

The Law on Environmental Protection (amended) will take effect from January 1, 2022.

We hope this short Letter of legal updates would bring you useful information.

Best regards.

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