

LEGAL UPDATES (May 24th, 2021)

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

- The Vietnamese Government promulgates the Preferential Import-Export Tariff to implement the UKVFTA Agreement.
- New regulations on collection rates, modes of collection, payment, management and use of fees and charges in the field of exit, entry, transit and residence in Vietnam.

1. **The Vietnamese Government promulgates the Preferential Import-Export Tariff to implement the UKVFTA Agreement**

On May 21st, 2021, the Government of Vietnam promulgates Decree No. 53/2021/ND-CP on the Preferential Export Tariff and the Special Preferential Import Tariff of Vietnam to implement the Free trade agreement between the Socialist Republic of Viet Nam and the United Kingdom of Great Britain and Northern Ireland (*hereinafter referred to as the "UKVFTA"*) for the period of 2021 - 2022 and the conditions for enjoying preferential export tax rates, special preferential import tax rates under the UKVFTA. Specifically:

- Appendix I of Decree 53/2021/ND-CP stipulates the preferential export tariff of Vietnam to implement the UKVFTA: including code and description of goods, preferential export tax rates according to stages when exporting to the United Kingdom of Great Britain and Northern Ireland for each product code;
- Appendix II of Decree 53/2021/ND-CP stipulates the special preferential import tariff of Vietnam to implement the UKVFTA: including code and description of goods, special preferential import tariff according to stages when importing into Vietnam from the territories specified at Point b, Clause 3, Article 5 of this Decree for each product code.

Decree 53/2021/ND-CP came into effect from May 21st, 2021.

2. **New regulations on collection rates, modes of collection, payment, management, and use of fees and charges in the field of exit, entry, transit, and residence in Vietnam**

The Ministry of Finance issued Circular No. 25/2021/TT-BTC, which came into effect from May 22nd, 2021, to replace Circular No. 219/2016/TT-BTC with some changes, including:

- (i) **Firstly**, this Circular provides new regulations on cases where the passport issuance fee is exempted, including:

- Vietnamese citizens who stay abroad and had a written expulsion decision from the competent authority of the host country without a passport;
- Vietnamese citizens who stay abroad must return to Vietnam according to international treaties or international agreements on the return of citizens without passports; and
- Other cases for humanitarian reasons.

In addition, this Circular also supplements a case of being exempted from visa and temporary residence fee, which is a foreigner in Vietnam who violates the laws and is subject to legal procedures but has no financial capacity, and the representative agency of the home country of the foreigner does not pay the fee, or there is no representative agency of the home country whose citizen violates the laws in Vietnam.

- (ii) **Secondly**, from May 22nd, 2021, the organization that is eligible to collect fee is only allowed to deduct 20% of the collected fee to cover the official operation cost instead of 30% as before.
- (iii) **Thirdly**, the rates of fees and charges in the field of exit, entry, transit, and residence are specified in the Schedule of Rates issued along with the Circular, in which:
 - Removing the regulations relating to fees for:
 - + Extending the passport's term;
 - + Supplementing, amending the content of passport;
 - + Children traveling with relatives who have passports or papers having equal valid with passports;
 - + Foreigners who are granted multiple visas by Vietnamese abroad diplomatic authorities with the symbol LD or DT for a period of more than one year.
 - Supplementing these following cases:
 - + Issuing temporary residence card with the term from 05 years to 10 years with the fee of 165 USD/card;
 - + Transferring the valid visa, the valid temporary residence period from the old visa (no room to stamp: immigration verification,

temporary residence certification, temporary residence period extension) to the new visa.

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

Best regards.

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