

**THE GOVERNMENT**

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No. 08/1998/ND-CP

**SOCIALIST REPUBLIC OF VIET NAM**  
**Independence - Freedom – Happiness**

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*Hanoi, January 22, 1998*

**DECREE**

PROMULGATING THE REGULATION ON THE ESTABLISHMENT OF ASSOCIATIONS OF  
FOREIGN BUSINESSES IN VIETNAM

**THE GOVERNMENT**

*Pursuant to the Law on Organization of the Government of September 30, 1992;  
In order to create favorable conditions for foreign businesses to conduct commercial and  
investment activities in Vietnam;  
At the proposals of the Minister of Planning and Investment, the Minister of Trade and the Head  
of the Working Commission for Non-governmental Organizations,*

**DECREES:**

**Article 1.-** To promulgate together with this Decree the Regulation on the establishment of associations of foreign businesses in Vietnam.

**Article 2.-** This Decree takes effect 15 days after its signing.

According to their assigned State management functions, the Minister of Planning and Investment, the Minister of Trade and the Head of the Working Commission for Non-governmental Organizations shall have to guide and inspect the implementation of the Regulation attached to this Decree.

**Article 3.-** The ministers, the heads of the ministerial-level agencies, the heads of the agencies attached to the Government and the presidents of the People's Committees of the provinces and cities directly under the Central Government shall have to implement this Decree.

**ON BEHALF OF THE GOVERNMENT**  
**THE PRIME MINISTER**

**Phan Van Khai**

**THE REGULATION**

ON THE ESTABLISHMENT OF ASSOCIATIONS OF FOREIGN BUSINESSES IN VIETNAM

*(Promulgated together with Decree No.08/1998/ND-CP of January 22, 1998 of the Government)*

**Article 1.-** To allow foreign businesses which have already been licensed to conduct commercial, investment and service activities in Vietnam, fully qualified and accept the provisions of this Regulation, to establish associations or clubs of foreign businesses in Vietnam (hereafter referred to as the association).

**Article 2.-** Associations shall be established on the basis of voluntariness, as non-governmental, non-political and non-mercenary organizations.

Foreign businesses mentioned in Article 1 include: representative offices of foreign economic, financial, insurance, legal consultancy organizations, branches of foreign companies, branches of foreign commercial banks and foreign parties to foreign-invested enterprises in Vietnam, which are established and operate under the laws of the Socialist Republic of Vietnam. The businesses shall appoint their representatives to participate in the activities of associations.

**Article 3.-** The conditions for the establishment of an association:

1. There are at least 30 representatives from businesses of the same nationality or originated from an international or regional organization.
2. Each community of foreign businesses of the same nationality or originated from an international or regional organization operating in Vietnam shall be entitled to establish only one association in Vietnam, whose headquarters shall be set up and registered at a Vietnamese province or city directly under the Central Government.

**Article 4.-** The contents of an association's activities:

1. Organizing the internal information activities;
2. Organizing activities to probe into trade and investment opportunities;
3. Taking part in trade and investment promotion activities organized by the Vietnam Chamber of Commerce and Industry or other Vietnamese agencies;
4. Organizing meetings between its members and Vietnamese State management agencies on commercial, investment and service matters;
5. The leading board of the association is entitled to represent the association in proposing recommendations and measures to Vietnamese State management agencies in order to protect the legitimate interests of its member businesses and contribute to the creation of a healthy business environment;
6. Being permitted to publish and circulate within the association a bulletin on commercial and investment activities in accordance with the Law on Publication of the Socialist Republic of Vietnam.

**Article 5.-** The dossier of application for a permit to establish an association shall be submitted to the People's Committee of the province or city directly under the Central Government, where the association is to be set up. The dossier shall comprise:

1. The application for a permit to establish the association (one copy in Vietnamese and another in a commonly used foreign language);
2. The operation statute of the association;

3. A written recommendation from the Vietnam Chamber of Commerce and Industry;
4. The documents on the working office of the association;
5. The curricula vitae of the members of the leading board of the association;
6. The list of the representatives of businesses to join the association (their full names, their passport numbers, their places of registered temporary residence in Vietnam).

**Article 6.-** Within 30 days from the date of receiving in full the valid dossier, the concerned People's Committee of the province or city directly under the Central Government shall have to reply (whether or not to grant the permit) to the foreign businesses that apply for the permit to establish the association. Such permit shall be valid for 5 years from the date of its issuance and shall be considered for extension and each extension shall not exceed 3 years.

Three months before the permit expires, the association, if wishing to continue its operation, shall send an application for extension to the agency that has granted the establishment permit. The agency that has received the application shall have to complete procedures and reply the concerned parties within 30 days.

**Article 7.-** During the course of operation, if there is any change in the permit's content, the association shall send an application to the People's Committee of the province or city directly under the Central Government where the establishment permit was granted, for adjustments or supplements thereto and shall only be entitled to operate in accordance with the new content when there is a written approval of such supplement to the permit. The People's Committee receiving the application shall have to consider and reply the concerned parties within 30 days.

**Article 8.-** Within 30 days from the date of granting the permit or approving the supplement thereto, the association shall have to publish on central and local newspapers the following contents:

- The name of the association (in Vietnamese and in a commonly used foreign language);
- The establishment permit (the serial number, the granting date and agency);
- The representative (the President or the Secretary General of the association);
- The location of the headquarters (the house number, the name of street...);
- The serial number of its account at a transaction bank;
- The telephone and fax numbers.

**Article 9.-** The rights and obligations of an association after its establishment:

1. To open a transaction account at a commercial bank. This account shall be used only for administrative activities of the association as defined in Article 4 of this Regulation;
2. To rent its head office, residential houses and hire staff in accordance with the provisions of Vietnamese law;

3. To have its own seal (if necessary). The seal shall be made in accordance with the regulations of Vietnam's Ministry of the Interior;

4. To import office equipment and working facilities in accordance with the provisions of the Vietnamese law applicable to the representative offices of the foreign economic organizations in Vietnam;

5. The association shall have to report its operation every 6 months or year or irregularly at the request of the People's Committee of the province or city directly under the Central Government, that has granted the permit.

**Article 10.-** The People's Committees of the provinces and cities directly under the Central Government where the foreign businesses' associations are registered, shall have to supervise the observance of Vietnamese law and provisions of this Regulation by the foreign businesses' associations. After granting permits, the People's Committees of the provinces and cities directly under the Central Government shall have to send the copies of such permits to the Ministry of Trade, the Ministry of Planning and Investment and the Working Commission for Non-governmental Organizations, and at the same time biannually and annually send sum-up reports on the operation of the foreign businesses' associations in their respective localities to the three above-said agencies.

**Article 11.-**

1. An association shall terminate its operation in the following cases:

- Its permit expires and no extension is permitted;
- Its permit is withdrawn before schedule due to serious violations of Vietnamese laws;
- The voluntary dissolution of the association.

2. Within 30 days from the termination of its operation, the association shall complete the return of rented office, residential houses and working facilities and pay all debts (if any) to the Vietnamese parties.

**Article 12.-**

1. The associations' operations which are inconsistent with the granted permits or violate the provisions of this Regulation shall, depending on the seriousness of the violations, be subject to sanctions under the provisions of the Ordinance on the Handling of Administrative Violations, to temporary suspension of operations or withdrawal of permits. The presidents of the concerned People's Committees of the provinces and cities directly under the Central Government shall issue handling decisions to suspend operations and withdraw permits.

2. Members of an association and employees working at its office, who commit acts of violating Vietnamese laws, shall be handled in accordance with Vietnamese law.