

POLICY DIALOGUE IN 2024

**Driving sustainable growth:
Optimizing Economic Ecosystems,
Technology and Energy**

Ho Chi Minh City, 18 September 2024



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POLICY DIALOGUE IN 2024
**DRIVING SUSTAINABLE GROWTH: OPTIMIZING ECONOMIC
ECOSYSTEMS, TECHNOLOGY AND ENERGY**

Time & Date: *from 7.30am, 18 September 2024*

Venue: *GEM Center, No.8 Nguyen Binh Khiem Street, Da Kao Ward, District 1, HCMC*

TENTATIVE AGENDA

Timeline	Content
OPENING	
7:30 – 8:00	Registration
8:00 – 8:05	Introduction
8:05 – 8:30	OPENING REMARKS <ul style="list-style-type: none"> Ho Chi Minh City People's Committee – <i>Mr. Vo Van Hoan, Member of the City Party Committee, Vice Chairman</i> Vietnam Business Forum – <i>Mr. Michael Vu Nguyen, Co-Chair</i> <i>Mr. Nitin Kapoor, Vice-Chair</i>
DISCUSSION SESSIONS	
8:30 – 9:40	SESSION 1 <i>[Optimizing Economic Ecosystems: Logistics, Workforce, Tax, and Investment Strategies]</i> <ul style="list-style-type: none"> Logistics and Supply Chain development – <i>Mr. Tran Anh Duc, Co-Head of VBF Investment & Trade WG</i> Visas, Work Permits and Temporary Residence Cards – <i>Mr. Colin Blackwell, Head of VBF Human Resources WG</i> Upskilling the Vietnam workforce to meet global demand including AI, semiconductor, aerospace, hi-tech design and manufacturing – <i>Mr. Colin Blackwell, Head of VBF Human Resources WG</i> Administrative Procedure Reform in the fields of investment and tax – <i>Mr. Seck Yee Chung, Co-Head of VBF Investment & Trade WG,</i>

	<p><i>and Mr. Takahisa Onose, Representative of VBF Tax & Customs WG</i></p> <p>RESPONSES FROM HCMC AND PROVINCIAL PEOPLE'S COMMITTEES</p>
9:40 – 9:55	Q&A SECTION between the business community and the People's Committee of Ho Chi Minh City, along with other provincial leaders
9.55 – 10.10	TEA BREAK
10.15 – 11:25	<p>SESSION 2. <i>[Driving Future Sustainability: Sustainable Energy and Smart Technologies]</i></p> <ul style="list-style-type: none"> Sustainable energy development – <i>Mr. John Rockhold, Head of VBF Power & Energy WG</i> Advancing Aviation Decarbonization: The Sustainable Way Forward and Feedstock Potential in Vietnam – <i>Ms. Sharmine Tan, Regional Sustainability Lead - Southeast Asia, Boeing</i> Sustainable cooling in achieving NDC – <i>Mr. Rusmir Musić, Global Cooling Lead, International Finance Corporation (IFC)</i> Digital transformation in agriculture – <i>Mr. David Whitehead, Head of VBF Agribusiness WG</i> <p>RESPONSES FROM HCMC AND PROVINCIAL PEOPLE'S COMMITTEES</p>
11.25 – 11.40	Q&A SECTION between the business community and the People's Committee of Ho Chi Minh City, along with the Leaders of other provinces and cities
CLOSING	
11:40 – 11:50	<p>CLOSING REMARKS</p> <ul style="list-style-type: none"> Vietnam Business Forum – <i>Mr. Vo Tan Thanh, Vice Chairman of VCCI</i>
NETWORKING EVENT	

CONSOLIDATED ISSUES ON LOGISTICS & SUPPLY CHAIN				
No.	Sector	Summary of Issue	Recommendations	Chamber/ WG/Company
HO CHI MINH PEOPLE COMMITTEE				
DEPARTMENT OF PLANNING AND INVESTMENT				
1.	Transportation and Logistics	Vietnam's green agenda lacks clarity, especially regarding the transportation sector. What is the specific plan for phasing out old, inefficient, and polluting vehicles and transitioning to Euro 5 and Euro 6 standards, alternative fuels, and electric vehicles?	More clarity is needed on the plan to gradually phase out old, dirty, inefficient vehicles and switch to plans to use alternative fuels and Euro 5 and Euro 6 electric vehicles.	EuroCham's Transportation and Logistics Sector Committee (TLSC)
DEPARTMENT OF TRANSPORT				
2.	Transportation and Logistics	The road infrastructure surrounding Ho Chi Minh City is still far below the standards seen in the North. Bien Hoa is not appealing as a distribution center for Ho Chi Minh City customers. Additionally, South Binh Duong lacks new, high-quality warehousing, and the older warehouses have land leases with less than 20 years remaining and no clear plan for renewal, which discourages investment due to the short payback period. What is the plan to improve connectivity to Ho Chi Minh City?	It is necessary to clarify the plan to improve connection to Ho Chi Minh City.	EuroCham's Transportation and Logistics Sector Committee (TLSC)
TAN SON NHAT INTERNATIONAL AIRPORT (TIA)				
3.	Tourism & Hospitality	Long waiting lines at Immigration counters at Tan Son Nhat Airport impacts negatively the first and last impression of tourists and international image of Ho Chi Minh City.	<ul style="list-style-type: none"> - Optimised Staffing: Ensure adequate staffing levels at immigration counters, especially during peak travel times. - Airport services: Prioritise tourist satisfaction by enhancing core airport services such as waiting 	EuroCham's Tourism, and Hospitality Sector Committee (THSC)

CONSOLIDATED ISSUES ON LOGISTICS & SUPPLY CHAIN				
No.	Sector	Summary of Issue	Recommendations	Chamber/ WG/Company
			rooms, baggage claim facilities, check-in counters, restrooms, and adequate air conditioning. - Real-Time Data Analytics: Utilize real-time data analytics to monitor passenger flow and identify bottlenecks in the immigration process. - Immigration efficiency: Implement pre-approval programs (e.g., Global Entry), mobile passport apps, and priority lanes. In particular, priority lanes should be offered in sufficient numbers for Business class as well as senior citizens or passengers accompanied with infants.	
4.	Transportation and Logistics	- Electric commercial vehicles: It is unclear how we can import and use these vehicles in Vietnam. Foreign Direct Investment (FDI) is heavily focused on Green Logistics, prioritizing electric and alternative fuel vehicles because transportation in logistics accounts for over 70% of total emissions	- More clarity is needed on how to import and use commercial electric vehicles in Vietnam.	EuroCham's Transportation and Logistics Sector Committee (TLSC)
DEPARTMENT OF INFORMATION AND COMMUNICATION				
5.	Digital transformation	There are many limitations in technological innovation, digital transformation and supply chain diversification of enterprises, there needs to be effective support mechanisms	Work with stakeholders from the People's Committee, industry representatives and educational institutions to identify how	VBF Digital Economy WG VBF Education & Training WG

CONSOLIDATED ISSUES ON LOGISTICS & SUPPLY CHAIN				
No.	Sector	Summary of Issue	Recommendations	Chamber/ WG/Company
		and policies to promote technological innovation and supply chain diversification.	educational institutions can support digital transformation in Vietnam.	
HCM POLICE DEPARTMENT				
6.	Transportation and Logistics	Fire Safety: There are no clear guidelines for the installation of basic standards, such as 11-meter-high racks. This lack of clarity is hindering investment in Vietnam. It is crucial to address this issue because when foreign direct investment (FDI) considers investing in highly automated manufacturing and warehousing facilities, businesses will have little confidence in obtaining the necessary approvals. This uncertainty is beginning to shift investment to other countries.	- There is a need for clearer regulations on fire safety.	EuroCham's Transportation and Logistics Sector Committee (TLSC)

VISAS, WORK PERMITS AND TEMPORARY RESIDENCE CARDS

*Presented by
Colin Blackwell
Head of VBF Human Resources WG*

Your Excellency, thank you for the opportunity to speak today. I would like to focus on a matter that is essential for Vietnam's continued success as a global investment destination - the processing of work permits for foreign executives and specialists.

This issue is a key concern for the entire foreign-invested community in Vietnam, with consistent feedback from the VBF members. An example is the EuroCham Business Confidence Index survey, with feedback from over 200 companies, showing that work permit processes continue to present challenges, particularly for businesses seeking to bring in executives and specialists who play critical roles in transferring technical and specific industry expertise.

While Decree 70 has introduced some minor improvements, only 3% of the surveyed businesses reported significant changes in the work permit process. We see an opportunity to streamline these regulations on the management of foreigners working in Vietnam, making the process more efficient and aligned with global standards, closer to how multinational companies' HR departments operate.

To support this, I would like to propose five practical recommendations:

1. Flexibility and understanding in documentation requirements – For high-tech and green growth sectors, we ask for some flexibility in the documentation needed for work permits. These industries are evolving quickly, and standard qualifications may not yet exist in Vietnam. Flexibility would help Vietnam attract top talent in these emerging sectors and knowledge transfer which are vital for the country's future.
2. Expand the geographical validity of work permits. Current regulations requiring foreign employees to apply for a work permit at their intended place of work and updating each work location when they are sent to work in different localities are impractical. Although Decree 70 introduced the possibility of a single work permit for multiple locations through MOLISA, this provision has been ineffective due to a lack of detailed guidelines, leaving many situations unaddressed. Therefore, companies have faced challenges in obtaining clear guidance and approval from MOLISA. Instead, we believe that it is more effective and practical to issue a single work permit at the place of business registration of the employer and to report to the province when the employees are sent to work for more than 30 days to another locality.
3. Ensure consistent application of the law across provinces – Businesses often encounter variations in how regulations are interpreted across provinces. We encourage local authorities to consistently follow the legal framework, ensuring that the rules are applied uniformly. This will create greater predictability for businesses operating in different regions.
4. Streamline the pre-approval process for hiring foreigners, which currently requires job postings at the provincial employment center followed by foreign labor demand approval at the provincial DOLISA. This process is often burdensome and time-consuming. We recommend reviewing these steps to make the process more practical and efficient, expediting approvals.

5. Introduce fast-track options for high-impact projects – For large-scale investments or projects with a strong compliance record, a fast-track option for work permits could help reduce delays and allow executives and specialists to begin their roles more swiftly.

Beyond work permits, it is also important to address broader administrative processes, particularly the alignment of visa and temporary residence card approvals across provinces. Consistent interpretation of the law between provincial authorities would ensure that businesses operating in multiple locations experience fewer delays.

Now, turning to education and training—this is a critical area where further support can have a significant impact on Vietnam’s workforce. Short-term training centers, such as language schools and technical skill providers, are essential for developing the local talent pool. These centers help equip Vietnamese workers with the skills needed to meet the demands of an increasingly competitive global market.

We fully recognize and appreciate the important roles that various departments play in the approval process for establishing these centers. The input from the Department of Construction, the Department of Natural Resources, and others is valuable. However, we believe that the Department of Education and Training should take the lead in this process to ensure that the focus remains on the core educational criteria.

By allowing the Department of Education to guide the process more directly, while still considering input from other departments where relevant, we can reduce administrative bottlenecks. This will encourage more investment in Vietnam’s education sector, allowing for the quicker establishment of training centers, particularly in high-demand fields such as language instruction, IT, and technical skills training.

This focus on developing Vietnam’s human capital will have long-term benefits for the country’s economy. The ability to quickly establish training centers will create a pipeline of skilled workers who are ready to support industries ranging from manufacturing to technology. It will also help ensure that Vietnam remains competitive on a global stage by providing a workforce capable of meeting the evolving needs of modern businesses.

In conclusion, Vietnam is on a strong path, but by refining how work permits, visas, and temporary residence cards are implemented, aligning visa procedures, and supporting the development of training centers, we can further enhance the country’s attractiveness for foreign investment. Streamlining these processes will help businesses operate more efficiently and contribute to Vietnam’s long-term growth.

Thank you for your attention, and I look forward to continuing our collaboration on these important issues.

UPSKILLING THE VIETNAM WORKFORCE TO MEET GLOBAL DEMAND INCLUDING AI, SEMICONDUCTOR, AEROSPACE, HI-TECH DESIGN AND MANUFACTURING

*Presented by
Colin Blackwell
Head of Human Resources WG*

Your Excellency, it is an honour for me to be here today to discuss how artificial intelligence (AI) and technology can help upskill Vietnam's workforce and meet global demand. The opportunities are immense, and Vietnam is uniquely positioned to lead in this exciting era.

As someone who frequently travels for business between Europe and Vietnam, I have had the opportunity to observe how different regions are adopting AI. One thing that consistently stands out is the enthusiasm here in Vietnam. Whenever I ask a group of managers in a company how many people have tried using AI, the response is always greater in Vietnam than in Europe. This is not just anecdotal – it is backed up by surveys showing that Vietnam, especially among its youth, has one of the highest levels of confidence in adopting new technology, particularly AI. This confidence and early adoption are incredibly powerful assets, laying the foundation for Vietnam to emerge as a global leader in the AI space.

Recently, I had a conversation with my Vietnamese cousin here in Ho Chi Minh City, who is about to start university and has a strong interest in technology. In the past, I might have told him to focus on learning to code because coding was such an essential skill. But now, with the incredible advancements in AI, things have changed. AI can already handle many coding tasks efficiently, so the real opportunity lies in understanding how to use AI in everyday work and developing the human skills that AI cannot replicate. I told him that success now comes from practicing with AI day by day. AI is continually updating, and staying on top of it requires constant practice and engagement. He also needs to focus on skills like empathy, creativity, and emotional intelligence - these are the qualities that will set him apart in an AI-driven world.

This shift in focus is not just advice for young people entering the workforce - it is relevant for all of us. AI is no longer an inaccessible, complex technology. It's as easy to use as email or the internet. You can download it, start talking with it, and immediately see the benefits. AI isn't something abstract – it is practical, delivering tangible gains in productivity. This is especially true for sectors that have traditionally lagged behind in adopting new technologies.

In my experience, AI is more than just a tool - it acts more like a person or colleague. It helps businesses make leaps in technology, bypassing the slow, step-by-step digital transformation and technology implementation processes that have made people hesitate in the past. With AI, there is no longer a need to worry about long, drawn-out implementations or expensive systems. The cost barrier has come down significantly. AI is accessible and affordable, offering businesses the ability to automate and innovate without the huge investments that were once required. This shift opens the door for businesses of all sizes to embrace AI and see immediate, practical benefits.

I recently spoke with a director of a state-owned enterprise here in Ho Chi Minh City. He had taught himself English using AI and spoke fluently. When I complimented him on his English skills, he proudly showed me the AI-powered app he used to learn the language. He told me how easy and accessible it was, and that the progress he made was largely due to AI's support. This highlights just how practical and immediate the benefits of AI can be - it is not something out of reach, but a tool anyone can start using today.

Small and medium-sized enterprises (SMEs), which form the largest volume of Vietnam's economy, stand to gain the most from AI adoption. AI offers a fast and efficient way to increase productivity with minimal investment, which can have a significant impact on the competitiveness of these businesses. By adopting AI, SMEs can leap from basic operations to advanced, fully automated systems, making them more competitive both locally and globally. The potential for growth in this sector is enormous, and it is precisely where Vietnam can experience the greatest gains.

The time to start using AI is now. It does not require complex technical knowledge or large financial investment. The technology is ready, it's practical, and it's available to everyone. The sooner businesses integrate AI into their daily operations, the quicker they will see the benefits. It is a great match with Vietnam's famous entrepreneurial culture.

As AI adoption grows globally, it's also driving demand for the hardware that powers it - semiconductors, processors, and robotics components. Vietnam, as a key player in global high technology manufacturing, is well positioned to capitalize on this growing demand. The country's strengths in manufacturing, particularly in electronics, give it a significant advantage as the world turns to AI-driven technologies.

One particularly exciting area of growth is humanoid robotics. Prototypes of humanoid robots are being developed internationally, and the technology is progressing rapidly. Before long, humanoid robots will be ready for mass production, and Vietnam, with its established manufacturing capabilities, is one of the few places in the world that can scale up to meet this demand. The economic potential here is immense, not just in terms of job creation but further positioning Vietnam as a leader in high-tech, innovative manufacturing. It's exciting to imagine a future where Vietnam is a global hub for the production of humanoid robots.

Another area where Vietnam can make significant strides is aerospace. The aerospace industry is growing rapidly, and AI is playing an increasingly critical role in everything from design processes to automated manufacturing. With the right investments in workforce development, Vietnam can become a key player in this high-growth industry. AI will be at the heart of these advancements, but to make the most of these opportunities, Vietnam must upskill its workforce to ensure it is prepared for the challenges of tomorrow's jobs.

Vietnam is in the middle of a virtuous cycle. As AI is adopted across various industries, it creates a higher demand for the components and hardware that support AI - things like semiconductors and robotics hardware. This, in turn, drives further integration of AI in industries, leading to even more opportunities for growth. Vietnam's role in global manufacturing gives it a unique advantage here. The country isn't just adopting AI; it's producing the technologies that make AI possible, and that cycle of growth reinforces itself across multiple sectors.

To fully take advantage of these opportunities, Vietnam needs to rethink how it approaches workforce development. As I mentioned earlier, the skills we prioritize must evolve. It's no longer just about technical expertise like coding or engineering – it is about learning how to use AI as a tool and developing human-centered skills that will be critical in the future. Vietnam's youth, particularly Gen Z, are perfectly positioned for this. They are digital natives who have grown up with technology and are naturally adept at learning and experimenting with AI. Vietnam should encourage them to keep pushing forward, exploring what AI can do, and continuously updating their skills.

At the same time, partnerships with global technology firms are essential, which the VBF will always do its best to assist with. Vietnam has already caught the attention of international

businesses, and now is the time to formalize collaborations that will bring hands-on AI training to the workforce. By working closely with global partners, Vietnam can accelerate its learning curve and ensure that its workforce remains competitive in AI-driven industries. With the right training and support, Vietnam will not just keep up with AI advancements but lead the way.

Finally, supporting SMEs is critical. These businesses are essential to Vietnam's economy, and by integrating AI into their daily operations, they can achieve unprecedented gains in productivity. This will not only make them more competitive but also create a ripple effect across the economy, boosting growth in multiple sectors and further enhancing Vietnam's position in the global marketplace.

In conclusion, Vietnam is uniquely positioned to thrive in the AI era. The country's ability to adapt to new challenges and capitalize on technological advancements has consistently demonstrated its potential for success. AI offers an unprecedented opportunity to transform industries and the economy to the next level.

The opportunities before Vietnam - whether in AI, semiconductors, robotics, or aerospace - are immense. With the right strategies, investments, and collaborations, Vietnam can firmly establish itself as a global leader in these high-tech sectors. AI is practical, accessible, and transformative. The time to embrace it is now.

TÓM TẮT NỘI DUNG KIẾN NGHỊ CỦA NCT ĐẦU TƯ & THƯƠNG MẠI VBF

CONSOLIDATED ISSUES FROM VBF INVESTMENT & TRADE WORKING GROUP

STT / No	Lĩnh vực/ Setor	Tóm tắt nội dung vướng mắc/ <i>Summary of Issue</i>	Khuyến nghị/ <i>Recommendations</i>	Hiệp hội, NCT, Công ty/ Chamber/ WG/Company	THẨM QUYỀN GIẢI QUYẾT/ <i>Under the authority of (E.g: HCMC, Binh Duong, Dong Nai, Ba Ria – Vung Tau, Long An, Tien Giang, Ben Tre, Can Tho...)</i>
1.	Đầu tư <i>Investment</i>	<p>Điều kiện tiếp cận thị trường đối với nhà đầu tư nước ngoài <i>Market entry conditions applicable to foreign investors</i></p> <p>Theo quy định tại Điều 17.4 của Nghị định 31/2021/NĐ-CP, điều kiện tiếp cận thị trường đối với các ngành, nghề Việt Nam chưa cam kết về tiếp cận thị trường đối với nhà đầu tư nước ngoài được áp dụng như sau: <i>According to the provisions of Article 17.4 of Decree No. 31/2021/ND-CP, market access conditions for industries which Vietnam has not yet committed to market access for foreign investors are applied as follows:</i></p> <ul style="list-style-type: none"> Trường hợp pháp luật Việt Nam không có quy định hạn chế tiếp cận thị trường đối với ngành, nghề đó thì nhà đầu tư nước ngoài được tiếp cận thị trường như quy định đối với nhà đầu tư trong nước. <i>Where Vietnamese laws do not contain provisions restricting market access to that</i> 	<p>Khi xem xét hồ sơ xin cấp GCNĐKĐT cho nhà đầu tư nước ngoài, chúng tôi xin đề xuất các cơ quan chức năng cần có cơ chế xem xét linh hoạt hơn để duy trì quyền tiếp cận thị trường cho các nhà đầu tư nước ngoài, đặc biệt là đối với các lĩnh vực mà Việt Nam chưa đưa ra hạn chế trong các điều ước quốc tế. <i>When considering IRC application dossiers for foreign investment, we respectfully suggest the authorities to have a more flexible and relaxed review to keep market access open to foreign investors, in particular for sectors where Vietnam has not introduced limitations in international treaties.</i></p>	<p>Nhóm Công tác Đầu tư và Thương mại (ITWG) thuộc Diễn đàn Doanh nghiệp Việt Nam (VBF) <i>Investment and Trade Working Group (ITWG) under Vietnam Business Forum (VBF)</i></p>	<p>Sở Kế hoạch và Đầu tư (SKHĐT) TP.HCM và SKHĐT Tỉnh Bình Dương <i>HCMC Department of Planning and Investment (DPI) and Binh Duong Province DPI</i></p>

		<p><i>industry, foreign investors may access the market as prescribed for domestic investors.</i></p> <ul style="list-style-type: none"> • Trường hợp pháp luật Việt Nam đã có quy định về hạn chế tiếp cận thị trường của nhà đầu tư nước ngoài đối với ngành, nghề đó thì áp dụng quy định của pháp luật Việt Nam. <i>Where Vietnamese law already contains provisions on restricting foreign investors' market access for such industry, the provisions of Vietnamese law shall apply.</i> <p>Do đó, đối với một ngành mà Việt Nam không cam kết trong bất kỳ điều ước quốc tế nào, nếu pháp luật Việt Nam không có quy định hạn chế tiếp cận thị trường đối với ngành đó và không có điều kiện nào ngay cả khi áp dụng đối với nhà đầu tư trong nước, thì nhà đầu tư nước ngoài vẫn có quyền thực hiện ngành đó tại thị trường Việt Nam, xét theo định hướng chung của Việt Nam trong việc tạo điều kiện thuận lợi cho đầu tư nước ngoài. <i>Therefore, where a sector is not committed by Vietnam in any international treaty, Vietnamese laws do not contain provisions restricting market access to that industry, and there are no conditions even if applicable for domestic investors, then the foreign investors should be entitled to to participate in the market in such sector, given the general orientation of Vietnam to facilitate foreign investments.</i></p> <p>Tuy nhiên, trên thực tế, khi xin cấp Giấy chứng nhận đăng ký đầu tư ("GCNDKĐT") cho hoạt động đầu tư nước ngoài vào các lĩnh vực chưa có cam kết trong các điều ước quốc tế, chúng tôi nhận thấy nhiều vướng mắc từ các cơ quan có</p>			
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2.	Đầu tư <i>Investment</i>	<p>Yêu cầu của cơ quan cấp phép về nhiều tài liệu khác ngoài các tài liệu quy định theo luật <i>Licensing authority's request for more documents other than ones required by laws</i></p> <p>Quy định hiện hành (tức là Điều 9.2 Nghị định 01/2021/NĐ-CP và Điều 6.1(b) Nghị định 31/2021/NĐ-CP) nghiêm cấm cơ quan tiếp nhận hồ sơ có yêu cầu các tài liệu bổ sung cho mục đích cấp phép ngoài những tài liệu được pháp luật quy định.</p> <p><i>The current regulations (i.e., Article 9.2 of Decree 01/2021/ND-CP and Article 6.1(b) of Decree 31/2021/ND-CP) prohibit local authorities from requesting additional document for licensing purpose other than those prescribed by laws.</i></p>	<p>Chúng tôi xin đề xuất cơ quan chức năng cân nhắc và không yêu cầu thêm bất kỳ giấy tờ nào khác ngoài các giấy tờ quy định theo quy định của pháp luật.</p> <p><i>We respectfully suggest the authorities to consider and not to require any additional documents other than the regulatory documents as required by laws.</i></p>	ITWG thuộc VBF <i>ITWG under VBF</i>	SKHĐT TP.HCM và SKHĐT Tỉnh Bình Dương <i>HCMC DPI and Binh Duong Province DPI</i>

		<p>Thế những, thực tế lại ngược lại với quy định trên, các cơ quan cấp phép đôi lúc vẫn yêu cầu nhà đầu tư nộp bổ sung các giấy tờ không được yêu cầu theo quy định pháp luật. Điều này có thể gây ra sự chậm trễ đáng kể trong việc đăng ký đầu tư và doanh nghiệp và khiến các nhà đầu tư/doanh nghiệp phải chịu thêm chi phí đàm phán và chuẩn bị các tài liệu này.</p> <p><i>In practice, it is contrary as licensing authorities still sometimes require investors to submit additional documents which are not required by law. This could significantly cause the delay of investment and enterprise registrations and further incur additional costs for the investors/enterprises for preparation and provision of such documents.</i></p>			
3.	Đầu tư <i>Investment</i>	<p>Thời gian cấp phép kéo dài do tình trạng quá tải của một số cơ quan đăng ký kinh doanh <i>Prolonged licensing timeline due to overloaded status of some business registration authorities</i></p> <p>Hiện tại, chúng tôi ghi nhận việc quá tải khối lượng công việc của một số cơ quan đăng ký doanh nghiệp (ví dụ như SKHĐT Tỉnh Bình Dương), dẫn đến việc các hồ sơ đăng ký doanh nghiệp tại một số địa phương bị tồn đọng. Thời gian giải quyết hồ sơ bị kéo dài hơn thời gian quy định theo luật. Thậm chí, có thể kéo dài đến hơn 1 tháng cho hồ sơ điều chỉnh Giấy chứng nhận đăng ký doanh nghiệp (không tính thời gian doanh nghiệp thực hiện điều chỉnh hồ sơ theo yêu cầu). Trong khi đó, thời gian theo luật định để thực hiện thủ tục này chỉ là 3 ngày làm việc.</p> <p><i>Currently, we have observed the overload of work volume of some business registration authorities (e.g., Binh Duong Province DPI), leading to the</i></p>	<p>Chúng tôi xin đề xuất các cơ quan cấp phép xem xét bố trí thêm nguồn nhân lực để tạo điều kiện thuận lợi cho thủ tục được thực hiện thông suốt trong đúng thời hạn theo quy định của pháp luật.</p> <p><i>We respectfully suggest the licensing authorities to consider allocating more human resources to facilitate the smooth procedure within the timeline as regulated by laws.</i></p>	ITWG thuộc VBF <i>ITWG under VBF</i>	SKHĐT Tỉnh Bình Dương <i>Binh Duong Province DPI</i>

		<i>backlog of business registration dossiers in some localities. The timeline to process dossiers is longer than the timeline as prescribed by law. It can even take more than 1 month for dossiers to adjust Enterprise Registration Certificates (excluding the time for enterprises to adjust dossiers as requested). Meanwhile, the regulatory timeline for such procedure is 3 working days.</i>			
4.	Đầu tư <i>Investment</i>	<p>Đơn giản hóa thủ tục cấp Giấy phép kinh doanh <i>Streamline the procedure to obtain Business License</i></p> <p>Việt Nam có thể thúc đẩy đáng kể đầu tư nước ngoài bằng cách đơn giản hóa và hợp lý hóa các thủ tục xin và gia hạn Giấy Phép Kinh Doanh. Điều này đặc biệt quan trọng đối với các nhà đầu tư nước ngoài, những người có thể nản lòng vì các quy trình quan liêu phức tạp làm nản lòng. Về vấn đề này, chúng tôi muốn đề cập đến thủ tục cấp phép để xin Giấy Phép Kinh Doanh theo Nghị định 09/2018/NĐ-CP ("Nghị định 09").</p> <p><i>Vietnam can significantly boost foreign investment by simplifying and streamlining the procedures for obtaining and renewing Business Licenses. This is particularly important for foreign investors who may be discouraged by complex bureaucratic processes. In this respect, we would like to mention the licensing procedure to obtain a Business License under Decree 09/2018/ND-CP ("Decree 09").</i></p> <p>Cho đến nay, thủ tục cấp phép và thời gian để các doanh nghiệp có vốn đầu tư nước ngoài xin Giấy Phép Kinh Doanh cho các ngành bao gồm bán lẻ,</p>	<p>Chúng tôi xin đề nghị các cơ quan cấp phép tuân thủ đúng mốc thời gian theo luật định hiện hành về việc cấp Giấy Phép Kinh Doanh và nêu rõ ràng, cụ thể hơn về những nội dung cần có trong hồ sơ đăng ký để giảm đáng kể số vòng thẩm tra cần thiết.</p> <p><i>We respectfully suggest the licensing authorities to observe the current statutory timeline for the issuance of the Business License, and to be clearer and more specific as to what is expected in the application dossier so as to greatly reduce the number of follow up rounds required.</i></p>	ITWG thuộc VBF <i>ITWG under VBF</i>	SCT TP.HCM và SCT Tỉnh Bình Dương <i>HCMC DOIT and Binh Duong Province DOIT</i>

		<p>hoạt động cho thuê thiết bị và thương mại điện tử từ Bộ Công Thương (BCT) vẫn còn rất phức tạp và tốn thời gian. Thông thường, việc này liên quan đến nhiều vòng nộp hồ sơ và trả lời câu hỏi với MOIT và Sở Công Thương (SCT). Việc này có thể mất tới 12 tháng.</p> <p><i>So far, the licensing procedure and timing for foreign-invested enterprises to obtain Business Licenses for sectors including retailing, equipment leasing activities, and e-commerce from the Ministry of Industry and Trade (MOIT) is still very burdensome and time-consuming. Typically, this involves several rounds of submissions and follow-up questions with the MOIT and Department of Industry and Trade (DOIT). This can take up to 12 months.</i></p> <p>Theo Nghị định 09, thời hạn theo luật định (tùy thuộc vào hoạt động cụ thể và hồ sơ xin cấp Giấy Phép Kinh Doanh) từ SCT là 13 ngày làm việc. Nếu SCT cần xin ý kiến BCT thêm, BCT phải mất thêm 28 ngày làm việc để trả lời.</p> <p><i>Under Decree No. 09, the statutory timeline (depending on the specific activities and application dossier) for obtaining the Business License from the DOIT is 13 working days. If the DOIT needs to obtain further opinion from the MOIT, it takes another 28 working days for MOIT to respond.</i></p> <p>Tuy nhiên, trên thực tế, trong hầu hết các trường hợp, cần phải có sự chấp thuận/ý kiến của BCT cho dù hoạt động đó có được nêu tại Điều 5.1 và Điều 8.3 của Nghị định 09 hay không. Thời gian này có thể kéo dài tới 3 tháng cho mỗi quy trình nội bộ giữa SCT và BCT. Nếu có 2 đến 3 vòng câu hỏi và/hoặc yêu cầu bổ sung thông tin từ</p>			
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		<p>BCT, thì mất tới 9 - 12 tháng để hoàn thành. Thậm chí, chúng tôi biết có trường hợp phải mất 1 năm để có được Giấy Phép Kinh Doanh phân phối bán buôn dầu nhờn.</p> <p><i>However, in practice, in most cases, the approval / opinion of the MOIT would be required regardless of the activities specified under Article 5.1 and Article 8.3 of Decree 09. This timeline can be prolonged for up to 3 months for each of the internal process between DOIT and MOIT. If there are 2 to 3 rounds of questions and/or request for supplement of information from the MOIT, then it takes up to 9 - 12 months to complete. For instance, we know a case where it took 1 year to obtain a Business License for the wholesale distribution of lubricants.</i></p>			
5.	Đầu tư <i>Investment</i>	<p>Hỗ trợ đầu tư cho các nhà đầu tư công nghệ cao và nhà đầu tư trong lĩnh vực bán dẫn <i>Investment support for Hi-tech and semiconductor investors</i></p> <p>Phù hợp với định hướng của Việt Nam nhằm thu hút đầu tư nước ngoài công nghệ cao và quy mô lớn, Việt Nam đang xem xét chính sách hỗ trợ đầu tư mới cho các công ty trong ngành công nghệ cao thông qua Dự thảo Nghị định về việc thành lập, quản lý và sử dụng Quỹ hỗ trợ đầu tư, cung cấp hỗ trợ tối đa 50% bằng tiền mặt trực tiếp để trang trải một số chi phí của các nhà đầu tư, và Dự thảo Luật Công nghiệp công nghệ số, cung cấp một loạt các chính sách ưu đãi chung để thúc đẩy ngành công nghiệp công nghệ số trong nhiều lĩnh vực khác nhau. Dự thảo Luật Công nghiệp công nghệ số cũng đề cập đến các ưu đãi cho các dự án đầu tư trong lĩnh vực thiết kế, sản xuất, đóng gói và thử nghiệm chất bán dẫn.</p>	<p>Ngoài việc đưa ra các ưu đãi, cả Chính phủ và cơ quan địa phương cũng cần tiếp tục nỗ lực phát triển cơ sở hạ tầng, hỗ trợ chuyển đổi năng lượng, nâng cao trình độ cho người lao động và đơn giản hóa các yêu cầu phê duyệt nhằm cải thiện hệ sinh thái kinh doanh của Việt Nam và thu hút đầu tư trong lĩnh vực công nghệ cao và bán dẫn.</p> <p><i>Apart from offering incentives, both the Government and local authorities should also keep up efforts to develop infrastructure, support energy transition, upskill workers, and streamline approval requirements in order to improve the business ecosystem of Vietnam and attract investment in Hi-tech and semiconductor fields.</i></p>	ITWG thuộc VBF <i>ITWG under VBF</i>	Ban Quản lý các Khu công nghiệp Tỉnh Bình Dương <i>Binh Duong Industrial Zones Authority</i>

		<p><i>Aligned with Vietnam's agenda to attract high-tech and large-sized foreign investments, Vietnam is considering a new investment support policy for companies in the Hi-tech industry by way of the Draft Decree on the establishment, management, and use of the Investment Support Fund which provides a maximum of 50% assistance by direct cash grant payments to cover certain costs of such investors, and Draft Law on Digital Technology Industry which offers a range of general policy incentives to bolster digital technology industry across various sectors. The Draft Law on Digital Technology Industry also mentions incentives for investment projects in the field of semiconductor design, manufacturing, packaging and testing.</i></p> <p>Đây là một sáng kiến tích cực cần được triển khai trong tương lai gần. Việc các sáng kiến thực sự được giới thiệu và triển khai là rất quan trọng, đặc biệt là trong bối cảnh đầu tư cạnh tranh trong khu vực hiện nay</p> <p><i>This is a positive initiative encouraged to be launched in the near future. It is important that initiatives are actually introduced and implemented, especially given the competitive investment landscape in the region.</i></p>			
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STT/ No	Issue Group/ Deposit	Summary of Issue	Recommendations	Hiệp hội, NCT/ Chamber/ WG	THẨM QUYỀN GIẢI QUYẾT/ Under the authority of (E.g: HCMC, Binh Duong, Dong Nai, Ba Ria – Vung Tau, Long An, Tien Giang, Ben Tre, Can Tho...)
1	Land-rental- fee arrears	<p>The Group has signed the Framework Agreement on Investment since 2005, which clearly stipulates investment incentives for direct investment projects by the Group and its subsidiaries, including incentives for land-rental-fee exemption and <i>a land rental fee of USD 0.2/m2/year for high-tech production projects</i>. On the basis of the contents of the Framework Agreement on Investment, on July 03, 2012, the Management Board of the Saigon Hi-tech Park signed a Land Lease Contract with the enterprise according to the land rental price agreed in the framework agreement and the enterprise has fulfilled its financial obligations and been granted a land use right certificate.</p> <p>In 2019, the Group was restructured internally whereby the enterprise was merged into another enterprise, which is also in the same high-tech park and is another subsidiary of the Group in Vietnam. On the basis of the merger contract, the land has been transferred to the merging company to inherit all rights and obligations.</p> <p>Up to now, the enterprise is the merger company, has a need to update information about land users in the Land Lease Contract and the Land Use Right Certificate, but it has encountered problems. The Management Board of the Saigon Hi-tech Park said that these procedures could not be carried out due to a request on re-collecting land rental fee by the State Audit in 2018 up to more than VND16 billion. The reason given by the State Audit is that the Management Board of the Saigon Hi-tech Park has signed the Land Lease Contract with Nidec Seimitsu with a land price, which is calculated for the land rental fee, lower than what is specified in Decision No. 5754/QĐ-UBND dated December 28, 2007 of the People's Committee of Ho Chi Minh City.</p> <p>On August 5, 2024, the Management Board sent Official Letter No. 1087/KNCN-XTDT to the enterprise, the Management Board</p>	<p>We would like to propose the People's Committee of Ho Chi Minh City, the Management Board of the Saigon Hi-tech Park and the authorities to pay attention to, to prioritize considering and solving this problem, to cancel the request for collecting additional land-rental-fee so that the enterprise can soon implement the next investment plan.</p>	Nidec Precision Vietnam Co., Ltd.	Ho Chi Minh City People's Committee, the Management Board of the Saigon Hi-tech Park

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		<p>informed about the recommendation of the State Audit Office of Region IV in Official Letter No. 323/KV IV-TH dated July 23, 2024, and requested the company to pay an additional land rental fee of VND 16,643,554,372 as mentioned above.</p> <p>The Land Lease Contract was signed in 2012 in accordance with the law at the time of signing, as well as the commitments between the Group and the Management Board of the Saigon Hi-tech Park stated in the Framework Agreement on Investment. The Management Board of the Saigon Hi-tech Park needs to respect and implement its commitments in these documents.</p> <p>The fact that after 12 years from the time of signing the Land Lease Contract, the Government of Vietnam requires the enterprise to pay an additional land rental fee as mentioned above is completely unfounded and seriously violates the contents agreed in the Land Lease Contract as well as the commitments that the Government of Vietnam has stated in the Framework Agreement.</p>			
2	VAT refund	<p>The Company fully meets the conditions for VAT refund as prescribed, but the Tax Department delays processing the Company's VAT refund dossier for a long time (02 years) determined by the Tax Department: (i) The Company has a difference in the input VAT amount recorded in the accounting book and on the VAT return when compared monthly; and (ii) the Company has purchases from suppliers that are at risk of invoices and verification requirements. Accordingly, the Company has explained many times about the transaction of goods purchase and sale and explained that the differences between the accounting books and the tax declaration are only temporary differences due to the recording of deviations, but so far the Tax Department has not concluded and has a definitive solution for the company, affecting the Company's cash flow up to tens of billions of VND in tax refund</p>	<p>- Request the People's Committee of Ho Chi Minh City to consider the issue of VAT refund that has been outstanding for a long time of the Company in order to direct the Tax Department of Ho Chi Minh City to completely handle the unit's tax refund application as soon as possible to protect the legitimate interests of investors. helping the company feel secure in production and business.</p>	ITOCHU VIETNAM CO., LTD	Ho Chi Minh City Tax Department

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		<p>The company is a 100% Japanese investment enterprise, whose main activities are (1) importing plastic pellets for export and (2) buying scrap steel from the country and reselling it to domestic customers. The company has submitted a dossier of request for input VAT refund for plastic resin export activities for the period from 10/2020 – 04/2022 to the Tax Department in 06/2022 and has been inspected by the Tax Department before VAT refund from 06/2022 to now.</p> <p>According to regulations, business establishments that have exported goods and services with an undeducted input VAT amount of VND 300 million or more are entitled to a monthly and quarterly VAT refund.</p> <p>For dossiers subject to pre-refund inspection, within 40 days from the date the tax administration agency issues a written notice of acceptance of the dossier and the time limit for processing tax refund dossiers, the tax administration agency must decide to refund tax to the taxpayer or not refund tax to the taxpayer if the dossier is not eligible for refund tax. (Clause 2, Article 75 of the Law on Tax Administration No. 38/2019/QH14).</p> <p>In case the tax authority determines the tax amount eligible for refund, it shall refund the tax amount eligible for refund to the taxpayer, without waiting for the result of inspection and verification of the entire tax refund dossier; for tax amounts that need to be checked and verified or taxpayers are requested to explain and supplement dossiers, tax refund shall be processed when all conditions are satisfied as prescribed. (Clause 1, Article 34 of Circular 80/2021/TT-BTC).</p> <p>In the process of pre-inspection of VAT refund at the Company, the Tax Department determines that (i) during the tax refund period, the Company has incurred a difference in the input VAT amount</p>	<p>- Regarding the inspection team's reason for the difference between the input VAT amount accounted in the accounting book and the VAT declaration when comparing monthly to refuse tax refund: The Company has given a specific written explanation of these temporary differences and affirmed that it fully meets the conditions for tax refund according to the VAT law. Therefore, it is proposed that the Tax Department consider, not rely on this reason to refuse to refund the Company's tax because this reason has no legal basis.</p> <p>- For the VAT amount of the supplier's input invoices that the Tax Department considers to be at risk of invoices, the Tax Department needs to coordinate and work with the tax authority directly managing our company's suppliers (District Tax Department, Tax Department/other local Tax Department). Accordingly,</p>		

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		<p>recorded on the accounting books and on the VAT return when comparing monthly to refuse tax refund; and (ii) the Company has a transaction of purchasing goods from a number of high-risk suppliers on invoices (according to the classification on the system of the Department of Taxation), it is necessary to verify and request the company to explain the goods purchase and sale transaction. However, the inspection process of the Tax Department has lasted from 2022 to now, but the Tax Department has not yet concluded and resolved the Company's tax refund dossier, while the Company has explained and provided documents and vouchers to prove the above contents. Concrete:</p> <p>(i) Regarding the difference in the input VAT amount accounted for in the accounting book and the VAT return: In fact, during the inspection, the company has issued a specific explanation, providing appropriate grounds to explain these differences (most of the reasons are due to the deviation of the accounting in the book and declaration on the tax return). period, without affecting the tax amount proposed for refund and conditions for tax refund). The company has performed accounting in accordance with accounting regulations and has declared tax on tax returns in accordance with the provisions of the Tax Law. The temporary difference between the accounting book and the monthly tax return is a common practice of enterprises and enterprises will have regular comparison to ensure that in the whole accounting period, the tax amount recorded on the accounting book and on the VAT return is consistent, based on the original documents. We also know that in other local Tax Departments, the tax authorities still accept tax refunds for businesses if the business can explain the reason for the difference.</p> <p>(ii) For the issue of suppliers having invoice risks: The Company has actively coordinated to provide complete documents of purchase and sale with these suppliers, including documents of transportation</p>	<p>based on the documents proving the authenticity of the transaction provided by the Company and if the company's suppliers are certified to have completed the declaration of output VAT obligations for invoices issued to the Company, the Tax Department is requested to settle the tax refund for the Company. If it cannot be concluded, it is proposed that the Tax Department clearly state the reason and have a definitive solution for the Company</p> <p>- For the VAT amount of the supplier's input invoices which the Department of Taxation determines that there is no risk of invoices and has satisfied the conditions for tax refund, the Department of Taxation shall request the Department of Taxation to immediately refund the tax to the Company as prescribed, without waiting for the result of verification of the entire dossier of request for tax refund.</p>		

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		<p>of goods from the stage of Tier 2 suppliers to the Company's customers to prove the authenticity of the flow of goods. Concrete:</p> <ul style="list-style-type: none"> - For the VAT amount to be refunded corresponding to the purchase from suppliers with invoice risks, the Tax Department requires the Company to provide documents to prove the flow of transportation of purchased goods through the purchase and sale stages. In fact, the Company's purchase and sale contract with the supplier is a commercial sale, the seller bears the transportation costs, so the Company has provided all necessary documents to prove the transaction including the contract, the record of delivery of goods, VAT invoices, etc via-bank payment vouchers in accordance with the law on VAT. At the same time, the company also coordinates with suppliers to supplement shipping documents and documents to clarify the flow of goods in purchase and sale transactions and supply to the Tax Department. The guidance of the General Department of Taxation in Official Letter No. 1873/TCT-TTKT dated June 1, 2022 also does not require the verification of the origin of goods to the final stage for the Company's case. In addition, through working with suppliers, suppliers also commit to declare and pay output VAT to the tax authority directly managing invoices issued to the Company. - For the VAT amount applied for refund of the remaining suppliers without risk who are eligible for refund, the Tax Department has not yet settled the tax refund for the Company in accordance with the provisions of Clause 1, Article 34 of Circular 80/2021/TT-BTC but is still waiting for verification for the VAT amount corresponding to the purchase transaction from suppliers with invoice risk. 			

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		The delay in processing the Company's tax refund dossier has had a great impact on the Company's cash flow (the VAT backlog is large, up to nearly 80 billion) while the Company's business situation is facing many difficulties. At the same time, it also affects the confidence of investors in the process of implementing the Government's tax refund policy, negatively impacting the investment environment in Vietnam																											
3	Application of the Advance Pricing Agreement (APA) in tax administration for enterprises having outstanding related-party transactions for many years	<p>Application of the Advance Pricing Agreement (APA) mechanism on in tax administration for enterprises having outstanding related-party transactions for many years</p> <p>Application of the APA mechanism is necessary because this is a general trend that tax authorities of many countries are effectively applying to manage revenue from cross-border transactions. In principle, this mechanism will bring benefits to taxpayers and is a testament to Vietnam's integration into the general trend of international taxation in the world. According to the experience of implementation in a number of countries with large investments in Vietnam, countries in the region have implemented and effectively processed APA dossiers for taxpayers with an average time of 1.5-2 years/dossier, which can be mentioned as:</p> <table> <tr> <th>Year</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th></tr> <tr> <td>China¹</td><td>156</td><td>177</td><td>206</td><td>226</td><td>260</td></tr> <tr> <td>Japan²</td><td>146</td><td>145</td><td>185</td><td>246</td><td>301</td></tr> <tr> <td>South Korea³</td><td>204</td><td>218</td><td>225</td><td>233</td><td>246</td></tr> </table>	Year	2018	2019	2020	2021	2022	China ¹	156	177	206	226	260	Japan ²	146	145	185	246	301	South Korea ³	204	218	225	233	246	<p>With the expectation to significantly change the investment environment, truly integrate internationally with concrete actions in the eyes of foreign investors, we hope that the People's Committee of Ho Chi Minh City will take the following practical actions:</p> <p>(i) Propose that Government of Vietnam should direct the General Department of Taxation to completely process APA dossiers to create favorable conditions for taxpayers</p>	Vietnam Business Forum VBF/Foreign Investors Association	Ministry of Finance/General Department of Taxation
Year	2018	2019	2020	2021	2022																								
China ¹	156	177	206	226	260																								
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¹Annual Report on APA Records published by the State Administration of Taxation of China, chinatax.gov.cn

²Annual Report on APA Records published by the National Tax Agency of Japan, nta.go.jp

³Annual Report on APA Records published by the National Tax Agency of Korea, nts.go.kr

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		<table border="1"> <tr> <td>Singapore⁴</td><td>42</td><td>40</td><td>46</td><td>58</td><td>69</td></tr> <tr> <td>Indonesian⁵</td><td>31</td><td>31</td><td>36</td><td>45</td><td>51</td></tr> <tr> <td>India⁶</td><td colspan="5">Data in the period 2012 – 2023: 516</td></tr> </table> <p>Although this is still a new tax mechanism for Vietnam and Vietnam does not have much practical experience, since the first time of issuing guidelines on APA, namely Circular 201/2013/TT-BTC (December 2013) and most recently, Article 41 of Decree 126/2020/ND-CP and Circular 45/2021/TT-BTC, it <i>has been 9 years but no APA dossier has been approved, resulting in the 30 outstanding APA dossiers over the years that have not been satisfactorily handled while the legal basis has already been issued. Many APA dossiers submitted for the period 2014-2019 have passed the deadline for proposing or dossiers for the period 2022-2024 are almost at the end of the 3-year proposal period according to Circular 45/2021/TT-BTC applying APA but these have not yet been approved when the expiration period is approaching and Vietnam's regulations do not allow the retroactive application, resulting in the uncertainty about tax obligations for taxpayers when applying the APA.</i></p> <p>Also during the tax dialogue between VBF and the General Department of Taxation in April 2024, the General Department of Taxation shared that the issues were attributable to the lack of legal basis for using the database, resulting in outstanding APA dossiers for many years.</p>	Singapore⁴	42	40	46	58	69	Indonesian⁵	31	31	36	45	51	India⁶	Data in the period 2012 – 2023: 516					<p>to avoid abandoning the time frame for processing dossiers (according to international practices), resulting in the pending in at all levels and not being promptly notified of the dossier processing procedure to taxpayers who submitted APA dossiers.</p> <p>(ii) Propose that the Ministry of Finance should direct the Vietnamese tax authority to officially announce the commercial database used in processing APA dossiers and increase the legality of this commercial database for taxpayers to apply. Notorised translations of the copies of the financial</p>		
Singapore⁴	42	40	46	58	69																		
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⁴ Singapore APA Records Statistics, <https://beta.data.gov.sg>

⁵ Indonesia APA Records Statistics, <https://www.pajak.go.id>

⁶ Annual Report on APA Records published by the Government Tax Authority of India, [incometaxindia.gov.in](https://www.incometaxindia.gov.in)

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		Considering this fact, we know that tax authorities in many countries use commercial databases as a reliable source of data to process APA dossiers and for consultation stages with tax authorities of the countries.	<p>statements of similar companies should be translated and attached to the APA dossiers to ensure the authenticity of the data provided.</p> <p>(iii) Propose that the Government and the Ministry of Finance, if they see that Vietnam's resources and experience in processing APA dossiers are limited, should invest in training to be able to implement methodically and quickly to support investors.</p> <p>(iv) In addition, we also have a number of other recommendations for the People's Committee of Ho Chi Minh City to propose to the Government and the Ministry of Finance to consider:</p>		

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			<p>a> Supplementing the guiding regulations for the General Department of Taxation on the reference of bilateral APAs signed by companies in the same group of taxpayers as other foreign tax authorities with the same functions as taxpayers in Vietnam with the aim of accelerating the process of approving and appraising APA dossiers due to international precedents.</p> <p>Supplement regulations on the time frame for processing APA dossiers to support taxpayers to confidently implement business plans according to APA dossiers submitted and transparency in the process of processing tax dossiers.</p>		

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4	VAT refund for export activities	<p>The Tax Department checks VAT refund at the Company in February 2023, the inspection period is 10 days. However, after nearly one and a half years, the tax audit team recently sent a Tax Audit Minutes to the Company, which concluded that the Company was not eligible for tax refund for the entire requested VAT amount of over VND88 billion. The tax audit team based on the fact that the company had purchased goods from 8 suppliers which are subject to high tax-risk to refuse tax refund, although the Company has provided sufficient documents to prove that the Company's transactions with these suppliers are real and actually took place.</p> <p>The Company believes that the conclusion of the tax audit team lacks the legal basis based on current regulations on VAT refund. The tax refund rejection of the tax authority seriously affects the cash flow of business activities of the enterprise and undermines the trust of the enterprise in the transparency of the tax authority in the implementation of tax law.</p> <p>The company is a 100% Japanese investment enterprise, operating in the field of iron, steel, and cast iron production. The company has submitted a VAT refund application for export activities for the period from December/2021 – November/2022 to the Tax Department in January/2023 and has been inspected by the Tax Department before VAT refund from 20 February 2023.</p>	<p>Request the People's Committee of Ba Ria – Vung Tau City to consider the issue of VAT refund of the Company and direct the Ba Ria – Vung Tau Tax Department to consider and process the Company's tax refund dossier thoroughly, in accordance with the current provisions of tax law, ensuring the legitimate interests of investors, helping the company feel secured in production and business. The company recommends:</p> <p>- For the VAT amount of the supplier's input invoices which the Tax Department considers to be at risk of invoices, based on the documents and documents provided by the Company, the Tax Department shall</p>	Vina Kyoei Steel Co., Ltd.	Ba Ria – Vung Tau Tax Department

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		<p>According to regulations, business establishments that have exported goods and services with outstanding creditable input VAT amount of VND 300 million or more are entitled to a monthly and quarterly VAT refund.</p> <p>For dossiers subject to pre-refund inspection, within 40 days from the date the supervisory tax authority issues a written notice of accepting the application and the time limit for processing tax refund application, the tax authority must decide to refund tax to the taxpayer or not refund tax to the taxpayer if the dossier is not eligible for refund tax. (Clause 2, Article 75 of the Law on Tax Administration No. 38/2019/QH14).</p> <p>In case the tax authority determines the tax amount eligible for refund, it shall refund the tax amount eligible for refund to the taxpayer, without waiting for the audit result and verification of the entire tax refund application; for tax amounts that need to be checked and verified or taxpayers are requested to explain and supplement dossiers, tax refund shall be processed when all conditions are satisfied as prescribed by law. (Clause 1, Article 34 of Circular 80/2021/TT-BTC).</p> <p>In the process of pre-refund inspection at the Company, the tax audit team determined that the Company had purchased goods from a number of suppliers with high risk of invoices (according to the classification on the system of the Tax Department) and conducted verification and requested the Company to explain the goods purchase and sale transactions. The Company has actively coordinated to provide in full the purchase and sale documents with these suppliers, including goods transportation documents from Tier 2 suppliers to the Company's customers to prove the authenticity of the goods flow. However, after a verification process lasting from February 2023 until now, the tax audit team has not been able to collect any actual</p>	<p>coordinate and work with the supervisory tax authority of suppliers to verify the authenticity of the transaction. If the company's suppliers are certified to have completed the declaration of output VAT obligations for invoices issued to the company, they shall request the Tax Department to handle the tax refund to Company. If it is not possible to conclude, it is proposed that the Tax Department clearly state the reason and have a radical solution for the Company.</p>		

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		<p>evidence to determine that the Company's purchase transactions with these suppliers are not real. In the Tax Audit Minutes, the issue given by the tax audit team as a basis to reject tax refund to the Company remained stating the status of suppliers with tax and invoice risks. The company believes that the risk classification of businesses belongs to the management of the tax authority. This classification system is not public. At the time of the transaction, there was no official notice from the tax authorities or authorities about these suppliers being suspended business or the invoices which were no longer valid. Therefore, the tax risk and invoice status of these suppliers on the system of the tax authority at the time the tax audit team conducts the inspection at the Company cannot be the basis to reject the legality of the transactions that the Company had previously entered with suppliers.</p> <p>The Tax Department's rejection of tax refund to the Company lacks the legal basis, which is contrary to the provisions of Clause 1, Article 34 of Circular 80/2021/TT-BTC, causing negative financial and emotional impact for businesses, at the same time undermine the investment environment of Vietnam in general.</p>			
5	Define HS codes for imported products	<p>Classification Decision</p> <p>The case concerns the decision to classify a two-component product mixed together (a resin base as part A with a hardener as Part B). Should it be classified as a “paint” (Heading 32.08) or as a “resin” coating (Heading under Chapter 39).</p> <p>The WCO HS has a very clear “50% solvent content rule which clearly states that when the solvent content is 50% or less, the product is classified under a Heading in Chapter 39. The 50% solvent rule became effective in January 2017, clearly as a way of eliminating once and for all the many disputes on this issue. And based on published test reports our products clearly contain less than 50% solvent and therefore should be classified as a resin under Chapter 39.</p>	We would like to suggest that customs adopt the WCO's updated 50% solvent content criteria as the basis for the above classification, rather than applying a decision from 6 years ago that may no longer be suitable for our products or has not been updated.	America Indochina Management Vietnam Limited Company	Customs Inspection Sub-Department 3

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		In their classification the CID3 referenced an earlier (3403/TB-TCHQ). This was a GDVC decision from 2018 applying HS Code under 32.08. However, the test results in this decision give no indication of what the solvent content was in the products tested and classified under Heading 32.08. As such it is not clear whether that decision is applicable to our case. We kindly request the customs to apply the updated WCO 50% solvent criteria as basis for classification on the above rather than applying a decision from 6 years ago that may not be applicable to our product or up to date.			
6	VAT refund	<p>The enterprise has submitted the VAT refund application and received the Notification of Acceptance of the VAT Refund Request under the pre-inspection, post-refund regime on November 17, 2023. However, as of the current time (nearly 01 year) since the date of the notification, the tax authority has still not resolved the company's VAT refund application, affecting the company's cash flow by tens of billions of Dong.</p> <p>The company is a 100% Japanese-owned enterprise, with its main activities being general wholesale, including the right to export, import, and wholesale distribution. The company submitted the VAT refund application for input VAT on export activities of the trading activity for the period from April 2020 to September 2022 to the Tax Department on November 16, 2023.</p> <p>For cases under the pre-inspection, post-refund regime according to the classification of the Tax Department, within 40 days from the date when the tax authority sends written notification of acceptance of the application, the tax authority must decide to refund the taxpayer or not to refund if the application does not meet the refund conditions. (Clause 2, Article 75 of the Tax Administration Law No. 38/2019/QH14). However, as of the current time (September 2024), the Tax Department is still at the stage of requesting the enterprise to</p>	<ul style="list-style-type: none"> We request the Ho Chi Minh City People's Committee to consider the issue of the long-standing VAT refund backlog of the Company in order to direct the Ho Chi Minh City Tax Department to handle the Company's refund application as soon as possible to protect the legitimate rights of investors, helping the company to operate with peace of mind. Regarding the requirement to provide information on transportation for all export/import transactions, considering that the collection and provision of these 	Chori Vietnam Co., Ltd.	Ho Chi Minh City Tax Department

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		<p>provide additional information and has not yet proceeded with the tax refund inspection at the enterprise.</p> <p>During the work with the Tax Department, the Tax Department has requested the company to provide some documents and information as follows:</p> <p>Information on transportation for all export/import transactions (such as information on the transport unit, driver information, ID number, vehicle type, vehicle registration number, payload, delivery location, shipping location, etc.) to authenticate the purchase and sale transactions.</p> <p>According to the guidance of the Ministry of Finance in official letter number 11797/BTC-TCT, for cases where enterprises purchase and use goods from enterprises with high tax risks but have not yet received an official conclusion from the competent authorities, the tax authority may conduct inspections and verifications of goods including transportation information. However, this inspection and verification should only be applied to transactions with high tax risk parties instead of applying to all purchase and sale transactions of the enterprise as currently required by the Tax Department. In addition, the information requested should only apply to the information that the enterprise is responsible for storing for the purpose of accounting records instead of including information that the enterprise does not need and does not store and is the responsibility of the transport service provider (such as driver information, transport vehicle information).</p> <p>Providing documents and information related to the transportation of goods as required by the Tax Department takes a lot of time and cannot be done for information that the company is not responsible for storing and also cannot obtain from the transport units. Therefore, requiring companies to provide these documents is unreasonable and not in line with the actual operation of the enterprise.</p>	<p>documents take a lot of time and are not really in line with the guidance of the Ministry of Finance as well as the actual operation of the enterprise, therefore, we propose that the Tax Department should not request information that is not under the management responsibility of the enterprise as well as of subjects without tax risks in order to minimize unnecessary work.</p>		

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		The delay in processing the company's tax refund application has had a significant impact on the company's cash flow (a large amount of VAT is outstanding, up to nearly 98 billion) while the business operation of the company is facing many difficulties. At the same time, this also affects the confidence of investors in the process of implementing the government's tax refund policy, negatively impacting the investment environment in Vietnam.			
7	Transfer of goods through border-gates	<p>Foreign-invested economic organizations are not allowed to conduct transshipment business activities through bonded warehouses or transshipment areas at Vietnamese ports.</p> <p>According to Clause 2, Article 18 of Decree 69/2018/ND-CP, foreign-invested economic organizations are not allowed to conduct transshipment business activities, including activities where goods are transported from the exporting country to the importing country through Vietnamese ports and placed in bonded warehouses or transshipment areas at Vietnamese ports, without completing import procedures into Vietnam and export procedures out of Vietnam.</p> <p>The above regulation has limited foreign-invested economic organizations in Vietnam from diversifying their business models. If foreign-invested economic organizations were allowed to conduct this transshipment business model, it could bring significant benefits to Vietnam, including increased profits for foreign-invested economic organizations, warehouse owners, and related businesses in the logistics chain. This, in turn, would help increase revenue for the budget, develop logistics services, and support Vietnam in becoming a regional logistics trade center.</p>	We recommend that the Ho Chi Minh City People's Committee support our investors in working with the Government and the Ministry of Industry and Trade to review and amend the current regulations to open up opportunities for businesses and corporations wishing to implement the transshipment business model in Vietnam.	Foreign Investors	Ministry of Industry and Trade

PROMOTING GREEN TRANSITION AND DEVELOPING HIGH-TECH INDUSTRIES

*Presented by
John Rockhold
PEWG Head*

Good morning leaders of the Ho Chi Minh City People's Committee and of other provinces in the Mekong Delta and the Southeast Region, as well as the delegates present at today's dialogue!

It is my honor to represent the Power and Energy Working Group today. We stand at a crucial juncture in our efforts to promote the green transition and foster the development of high-tech industries, particularly in the South, a region that is not only vibrant but also strategically positioned to lead in these initiatives.

So far in 2024, we greatly appreciate Vietnam's efforts in addressing policy challenges and enacting important regulations that positively contribute to the green transition and provide clearer guidance for the growth of high-tech industries in the country. These developments bolster energy security, drive the green transition, and lay the foundation for the growth of high-tech industries. The Government has just issued Decree No. 80/2024/ND-CP dated July 3, 2024, regulating the direct power purchase agreement (DPPA) mechanism between renewable energy generators and large electricity users. The DPPA mechanism will encourage more investment in domestic renewable energy projects, creating more "buyers" in the competitive electricity market. In the long term, the implementation of the DPPA mechanism is expected to be one of the first important steps to encourage the development of the Wholesale Electricity Market (VWEM) and later move towards the Competitive Retail Electricity Market (VREM); thereby promoting sustainable environmental development and improving the efficiency of the electricity market in Vietnam. For electricity users, the DPPA also creates opportunities for businesses to soon obtain renewable energy certificates and carbon emission reduction certificates to increase the competitiveness of goods when exporting to international markets.

In addition, the Power Development Plan 8 sets specific goals related to self-produced and self-consumed rooftop solar power. Specifically, by 2030, 50% of office buildings and 50% of residential houses are expected to use self-produced and self-consumed rooftop solar power (serving on-site consumption, not selling electricity to the national power system). The Ministry of Industry and Trade is also developing a Decree to encourage the development of self-produced and self-consumed rooftop solar power, especially on people's rooftops and at production and business establishments for on-site consumption, not connected and not used for business purposes, buying and selling electricity. In addition, according to the Resolution No. 98/2023/QH15 on piloting the specific mechanisms and policies for the development of HCMC, approved by the National Assembly on June 24, 2023, the headquarters of administrative agencies, public service units, and those identified as public assets in the City with roofs that meet technical conditions will be allowed to install solar power systems. The "Project for developing rooftop solar power in HCMC by 2030" of the HCMC Department of Industry and Trade also shows that the potential for developing solar energy in the City is huge. It is obvious that HCMC has been given initial favorable conditions to develop this source of energy. However, to successfully implement it, the City needs to have clear and effective implementation strategies. This is a very important policy to mobilize social resources to promote the development of renewable energy, increase the capacity of renewable energy sources, specifically solar power in the system, ensure energy security, meet the expectations of people and businesses, and contribute to reducing the pressure on investment in developing power sources for the state.

As a result, the advancement of green energy solutions is essential. Battery Energy Storage Systems (BESS) offer a significant opportunity to enhance the stability and reliability of our renewable energy infrastructure. By integrating BESS, we can effectively manage the intermittent nature of renewable energy sources, ensuring a continuous and stable supply of electricity. This becomes particularly critical as we expand the use of renewable energy through initiatives like the Direct Power Purchase Agreement (DPPA) and self-produced, self-consumed rooftop solar power (RTS). As you all know, these renewable energy sources can be challenging to regulate due to their variability. However, with the integration of BESS and ongoing technological advancements, this unpredictability will no longer be a concern, enabling what we refer to as dispatchable renewable energy. This approach also allows us to achieve clean, 24/7 electricity.

These topics are also included in our research agenda for this year, with plans to deliver on them through future activities. Reflecting on our capacity-building program series from last year, we made significant strides and received overwhelmingly positive feedback on the usefulness of all four regional workshops (in the North, the South, the North Central and the South Central and Highlands). These efforts have laid a strong foundation for continued progress. This year, we are placing a greater emphasis on research to provide insightful and practical implications on specific targeted topics. Looking ahead, we plan to incorporate these takeaways into potential engagement activities scheduled for 2025 and beyond, in collaboration with all of you. Throughout this journey, we have received substantial support from various provinces. For instance, earlier in August, we held a consultation meeting with the Tra Vinh Department of Planning and Investment as part of our data collection phase for ongoing research. We greatly appreciate this support, as it significantly contributes to our goal of delivering the best outcomes.

Restructuring industries to prioritize investments in high-tech, green practices, clean industries, as well as projects that produce high value-added, environmentally friendly products, integrating into the global production chain is an unavoidable trend. Key sectors include information and communication technology, where software development, IT services, and electronic equipment manufacturing are thriving. Additionally, investing in electronics and microchips, including manufacturing and designing, will strengthen the region's role as a regional tech hub. Supporting industries, such as precision mechanical processing and component manufacturing, along with advancements in the pharmaceutical and biological sectors, are also crucial for fostering sustainable economic growth and technological innovation. Ho Chi Minh City, along with the broader Southern region, is an area of immense activity and potential. This region should not only participate in but also lead the trends in green energy and high-tech industrial development. By leveraging its strengths - its dynamic community of enterprises, its vibrant economy, and its existing energy infrastructure - HCMC can lead the way for others.

As we embark on this journey, please remember that the Vietnam Business Forum (VBF) and its industrial working groups are here to support you every step of the way. We are committed to exploring and seizing opportunities for collaboration and investment. Specifically, the VBF Power and Energy Working Group, with its network of over 300 members from leading companies possessing extensive expertise, is ready to partner with you to discover innovative solutions and create valuable synergies.

To conclude, ensuring energy security is essential for maintaining living standards and fostering the growth of high-tech industries, which are pivotal to our economic future. These sectors will increasingly rely on reliable, sustainable, and affordable electricity. Our collective efforts must therefore focus on meeting both current and future energy needs without compromise. By combining a clean energy supply with effective strategies to attract more foreign direct investment (FDI), we can achieve a green transition, promote sustainable development, and advance high-tech

industries. Ho Chi Minh City and the Southern region are well-positioned to lead this transformative journey, securing a sustainable and prosperous future for all.

Thank you very much.

NHÓM CÔNG TÁC VỀ ĐIỆN VÀ NĂNG LƯỢNG
BÁO CÁO TẠI SỰ KIẾN ĐỐI THOẠI CHÍNH SÁCH 2024
THỨC ĐẨY CHUYỂN ĐỔI XANH VÀ PHÁT TRIỂN CÁC NGÀNH CÔNG NGHỆ CAO

Thời gian: 8h00 – 12h00, ngày 18 tháng 9 năm 2024

Địa điểm: GEM Center, số 8 Nguyễn Bình Khiêm, P. Đa Kao, Quận 1, TP.HCM

Tôi xin gửi lời chào trân trọng và lời chúc sức khỏe đến các lãnh đạo của UBND TP.HCM, các tỉnh thành thuộc Đồng bằng sông Cửu Long và Đông Nam Bộ, cũng như các đại biểu đang có mặt trong buổi đối thoại hôm nay!

Tôi rất vinh dự được đại diện cho Nhóm Công tác Điện và Năng lượng hôm nay để phát biểu đôi lời... Vâng, Việt Nam đang đứng trước một thời điểm quan trọng trên hành trình nỗ lực nhằm thúc đẩy chuyển đổi xanh và phát triển các ngành công nghiệp công nghệ cao, đặc biệt là ở khu vực phía Nam, một khu vực không chỉ sôi động mà còn có vị trí chiến lược để dẫn đầu trong quá trình này.

Cho tới thời điểm này của năm 2024, chúng tôi đánh giá cao những nỗ lực của Việt Nam trong việc giải quyết các thách thức về chính sách, ban hành các quy định quan trọng góp phần tích cực vào quá trình chuyển đổi xanh, cũng như đưa ra những định hướng rõ ràng hơn cho sự phát triển của các ngành công nghiệp công nghệ cao trong nước. Những bước tiến này sẽ góp phần củng cố an ninh năng lượng, thúc đẩy quá trình chuyển đổi xanh và đặt nền tảng cho sự phát triển của công nghệ cao trong nước.

Đầu tiên, Chính phủ vừa ban hành Nghị định số 80/2024/NĐ-CP ngày 3/7/2024 quy định về cơ chế mua bán điện trực tiếp (**DPPA**) giữa đơn vị phát điện năng lượng tái tạo với khách hàng sử dụng điện lớn. Cơ chế DPPA sẽ khuyến khích đầu tư nhiều hơn vào các dự án năng lượng tái tạo trong nước, tạo thêm các “người mua” trong thị trường điện cạnh tranh. Về dài hạn, việc triển khai cơ chế DPPA được kỳ vọng sẽ là một trong những bước quan trọng đầu tiên nhằm khuyến khích phát triển Thị trường Bán buôn Điện cạnh tranh và sau này tiến tới Thị trường Bán lẻ Điện Cạnh tranh; qua đó thúc đẩy sự phát triển bền vững về môi trường và nâng cao hiệu quả của thị trường điện ở Việt Nam. Về phía khách hàng sử dụng điện, DPPA cũng tạo cơ hội để các doanh nghiệp sớm có được chứng chỉ năng lượng tái tạo, chứng chỉ giảm phát thải carbon để tăng sức cạnh tranh hàng hóa khi xuất khẩu ra thị trường quốc tế.

Ngoài ra, Quy hoạch điện VIII đặt ra mục tiêu cụ thể liên quan đến điện mặt trời mái nhà tự sản tự tiêu. Cụ thể, phấn đấu đến năm 2030 có 50% các tòa nhà công sở và 50% nhà dân sử dụng điện mặt trời mái nhà tự sản, tự tiêu (phục vụ tiêu dùng tại chỗ, không bán điện vào hệ thống điện quốc gia). Bộ Công Thương cũng đang xây dựng Nghị định khuyến khích phát triển điện mặt trời mái nhà tự sản tự tiêu, đặc biệt tại mái nhà của người dân và tại các cơ sở sản xuất-kinh doanh tiêu thụ tại chỗ, không đấu nối và không dùng cho mục đích kinh doanh, mua bán điện. Ngoài ra, theo nội dung Nghị quyết số 98/2023/QH15 về thí điểm một số cơ chế, chính sách đặc thù phát triển TP.HCM được Quốc hội thông qua ngày 24/6/2023, các trụ sở cơ quan hành chính, đơn vị sự nghiệp công, trụ sở của các cơ quan, đơn vị được xác định là tài sản công trên địa bàn Thành phố có mái nhà đảm bảo các điều kiện kỹ thuật sẽ được phép sử dụng để lắp đặt hệ thống điện mặt trời. “Đề án phát triển điện mặt trời mái nhà trên địa bàn TP.HCM đến năm 2030” của Sở Công Thương TP.HCM cũng cho thấy tiềm năng phát triển và ứng dụng năng lượng mặt trời ở TP.HCM là rất lớn. Có thể nói TP.HCM được tạo điều kiện thuận lợi ban đầu để phát triển loại hình này. Song, để thực hiện hóa thành công, Thành phố cần có những chiến lược triển khai rõ ràng và hiệu quả. Đây là các chính sách rất quan trọng để huy động nguồn lực xã hội thúc đẩy phát triển năng lượng tái tạo, gia tăng công suất nguồn điện năng lượng tái tạo, cụ thể là điện mặt trời trong hệ thống, đảm bảo an ninh năng lượng, đáp ứng mong mỏi của người dân, doanh nghiệp, góp phần giảm áp lực đầu tư phát triển nguồn điện cho nhà nước.

Ngoài các chủ trương chính sách, sự tiến bộ của các giải pháp năng lượng xanh là điều cần thiết. Hệ thống lưu trữ năng lượng bằng pin (**BESS**) mang đến cơ hội đáng kể để tăng cường

tính ổn định và độ tin cậy của cơ sở hạ tầng năng lượng tái tạo của chúng ta. Bằng cách tích hợp BESS, chúng ta có thể quản lý hiệu quả bản chất biến đổi và không thể điều độ của các nguồn năng lượng tái tạo, đảm bảo nguồn cung cấp điện liên tục và ổn định. Điều này trở nên đặc biệt quan trọng khi chúng ta mở rộng việc sử dụng năng lượng tái tạo thông qua cơ chế DPPA và điện mặt trời mái nhà tự sản, tự tiêu. Như tất cả mọi người đều biết, các nguồn năng lượng tái tạo này có thể khó điều độ vì có độ biến động cao. Tuy nhiên, với sự tích hợp của BESS và những tiến bộ công nghệ đang diễn ra, tính chất biến đổi này sẽ không còn là mối lo ngại nữa, cho phép chúng ta có được thứ mà chúng ta gọi là năng lượng tái tạo có thể điều độ. Cách tiếp cận này cũng cho phép chúng ta đạt được nguồn điện sạch 24/7.

Hiện tại, các chủ đề nói trên cũng đã được đưa vào chương trình nghiên cứu và kế hoạch thực hiện của chúng tôi trong năm nay, đã - đang và sẽ được cụ thể hóa thông qua các hoạt động trong thời gian sắp tới... Nhìn lại loạt chương trình nâng cao năng lực của năm ngoái, chúng tôi nhận thấy mình đã gặt hái được một số thành quả nhất định, cũng như nhận được những phản hồi tích cực về tính hữu ích của cả 4 hội thảo cấp khu vực (tại miền Bắc, miền Nam, Bắc Trung Bộ và Nam Trung Bộ - Tây Nguyên). Những nỗ lực này là nền tảng vững chắc để chúng tôi có thể triển khai những hoạt động tiếp nối trong tương lai. Năm nay, chúng tôi đặt trọng tâm nhiều hơn vào việc nghiên cứu sâu và cung cấp kinh nghiệm quốc tế thực tiễn đối các chủ đề mục tiêu cụ thể. Bước sang năm 2025, chúng tôi dự định đúc kết, tổng hợp những kết quả nghiên cứu này vào trong các hoạt động hợp tác. Trong suốt hành trình này, chúng tôi đã nhận được sự hỗ trợ nhiệt tình từ nhiều đơn vị, nhiều tỉnh thành. Ví dụ, đầu tháng 8 vừa qua, chúng tôi đã có cơ hội tổ chức một cuộc họp tham vấn với Sở Kế hoạch và Đầu tư tỉnh Trà Vinh trong giai đoạn thu thập dữ liệu cho một nghiên cứu mà chúng tôi đang tiến hành. Tại đây, một lần nữa, chúng tôi rất cảm ơn sự hỗ trợ quý giá này.

Tái cơ cấu ngành công nghiệp để ưu tiên đầu tư vào lĩnh vực công nghệ cao, công nghiệp sạch, thực tiễn xanh, hay việc sản xuất các sản phẩm có giá trị gia tăng cao, thân thiện với môi trường, hội nhập vào chuỗi sản xuất toàn cầu là một xu hướng không thể tránh khỏi. Các lĩnh vực chính bao gồm công nghệ thông tin và truyền thông, nơi mà việc phát triển phần mềm, dịch vụ CNTT và sản xuất thiết bị điện tử đang phát triển mạnh mẽ. Ngoài ra, đầu tư vào điện tử và vi mạch, bao gồm cả khâu sản xuất và thiết kế, sẽ củng cố vai trò trung tâm công nghệ khu vực của TP.HCM và miền Nam. Các ngành công nghiệp hỗ trợ, như gia công cơ khí chính xác CNC và sản xuất linh kiện, cùng với sự phát triển của lĩnh vực dược phẩm và sinh học, cũng rất quan trọng để thúc đẩy tăng trưởng kinh tế bền vững và đổi mới công nghệ... TP.HCM cùng với khu vực phía Nam là một khu vực có nhiều tiềm năng to lớn. Khu vực này không chỉ tham gia mà còn dẫn đầu xu hướng phát triển năng lượng xanh công nghệ cao. Bằng cách tận dụng thế mạnh của mình, bao gồm - cộng đồng doanh nghiệp năng động, nền kinh tế sôi động và cơ sở hạ tầng năng lượng hiện có - TP.HCM hoàn toàn có thể dẫn đầu cho những địa phương khác. Khi bắt đầu hành trình này, xin hãy nhớ rằng Diễn đàn Doanh nghiệp Việt Nam và các Nhóm công tác như chúng tôi sẽ luôn sẵn sàng hỗ trợ, khám phá và nắm bắt các cơ hội hợp tác và đầu tư. Đặc biệt, Nhóm Công tác Điện và Năng lượng chúng tôi với mạng lưới hơn 300 thành viên đến từ các công ty hàng đầu với nhiều chuyên môn và kinh nghiệm, sẵn sàng khám phá các cơ hội hợp tác, các giải pháp sáng tạo và tạo ra sự cộng hưởng giá trị.

Tóm lại, đảm bảo an ninh năng lượng là điều cần thiết để duy trì cuộc sống, thúc đẩy sự phát triển của công nghệ cao, và là yếu tố quan trọng đối với tương lai kinh tế của Việt Nam. Các lĩnh vực của nền kinh tế sẽ ngày càng phụ thuộc vào nguồn điện năng đáng tin cậy, bền vững với giá cả phải chăng. Do đó, mục tiêu của chúng ta không chỉ tập trung vào việc đáp ứng nhu cầu năng lượng hiện tại và tương lai, mà còn nỗ lực để quá trình này không ảnh hưởng đến môi trường. Bằng cách kết hợp nguồn cung năng lượng sạch với các chiến lược kinh tế hiệu quả để thu hút vốn đầu tư nước ngoài, Việt Nam có thể đạt được mục tiêu chuyển đổi xanh, thúc đẩy phát triển bền vững và tập trung tối đa cho các ngành công nghiệp công nghệ cao. TP.HCM và

khu vực phía Nam có vị trí thuận lợi để dẫn đầu hành trình chuyển đổi này, đảm bảo một tương lai bền vững và thịnh vượng cho tất cả.
Xin trân trọng cảm ơn.

A thin white diagonal line that starts from the left and points towards the text.

SUSTAINABLE AEROSPACE TOGETHER

Sharmine Tan

Regional Sustainability Lead, Southeast Asia

18 September 2024



We protect, connect and explore our world and beyond . . .



Fleet renewal



Operational efficiency



Renewable energy



Advanced technology



Carbon Offsetting and Reduction Scheme for International Aviation

SAF is the most immediate and largest potential solution



No technical approval required for blended SAF usage on Boeing Airplanes

Fuels that can **directly substitute** for conventional jet fuel

No changes needed to aircraft or engines

Certified to strong third-party **sustainability standards**

Reduces net airplane emissions

Boeing - Sustainable Aviation Fuels

SUSTAINABLE
AEROSPACE
TOGETHER

2009
Co-founded
Sustainable
Aviation Fuel
Users Group
(SAFUG)



2010
Boeing supports the
supersonic flight of a
U.S. Navy F/A-18 on
a 50/50 SAF blend -
U.S. Navy photo

2014
Proposed and
partnered with
Neste on ASTM
approval of Green
Diesel pathway



2018
First commercial
airplane test using
100% SAF

2018
Launched program
for biofuel delivery
flights from Boeing
Delivery Centers

2022
2M gallons
(7.5M liters) of
SAF procured
for operations



2023
5.6M gallons
(21.2M liters) of
SAF contracted
for operations

2023
Developed jet
reference fluid to
test 100% SAF
compatibility



2023
Studied SAF's
impact on
contrails with
NASA, United

2008

2010

2012

2014

2016

2018

2020

2022

2024

2008
First SAF test
flight with Virgin
Atlantic

2011
Led research
approval of HEFA
pathway

2012
Used biofuel on
every
ecoDemonstrator
program since 2012

2021
Committed to deliver
100% SAF compatible
airplanes by 2030

2021
First 100% SAF*
passenger flight
with United Airlines
*100% SAF in one engine

2021-2022
Partnered with NASA
to test the emissions
of SAF

2023
First 100% SAF
transatlantic
commercial flight
with Virgin Atlantic

2023
Collaborated with
Masdar and Zero
Petroleum

2023
Spearheaded Air-
CRAFT, a UAE
SAF consortium

2023
Launched APEC
SAF initiative with
U.S. Government

2011
First regional
multi-stakeholder
roadmaps in the
US and Australia



2021
100% SAF flight
with Rolls-Royce

2021
Boeing-SkyNRG
partnership



Southeast Asia Policy Snapshot

SUSTAINABLE
AEROSPACE
TOGETHER

Government support for low-carbon technology, new policy / legislative drivers for SAF



SAF Demand from Airlines

Airlines also making longer-term commitments: 5%+ SAF by 2030

SUSTAINABLE
AEROSPACE
TOGETHER

5%



10%



50
airlines

36%
Global
passengers

41%
Global
RTKs

RYANAIR
12.5% commitment

SAS
25% "in the 2030s"

norwegian
28% commitment

DHL
30% commitment

ups
30% commitment

FedEx
30% commitment

KEY FINDINGS



SEA Potential

Southeast Asia available bio-based raw materials can produce **12% of global SAF needed by 2050** to achieve commercial aviation's net zero goal.



SEA SAF Opportunity

Rice husks and straw are the region's top SAF raw material.



SEA SAF Opportunity

Building a **local SAF ecosystem** will benefit Vietnam's environment, communities and economies

Southeast Asia Sustainable Aviation Fuel Potential

SUSTAINABLE
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Feedstock potential per country

Available feedstock per country and feedstock type found in the literature (Mt/year) in dry mass

	Indonesia	Thailand	Vietnam	Malaysia	The Philippines	Myanmar	Cambodia	Lao PDR	Singapore	Brunei Darussalam	Timor Leste	Total feedstock	Feedstock contribution (%)
Palm oil (CPO)	9.5	1.2	-	1.0	-	-	-	-	-	-	-	11.6	3.1
Sugarcane (for ethanol)	-	5.7	-	-	0.1	-	-	-	-	-	-	5.8	1.5
Corn (for ethanol)	-	3.7	2.6	-	-	-	-	-	-	-	-	6.3	1.7
Coconut oil	-	-	-	-	0.2	-	-	-	-	-	-	0.2	0.1
Cassava roots and starch	20.5	9.5	5.0	-	-	-	-	-	-	-	-	35.0	9.3
Palm oil residues (PKS, EFB, etc)	27.6	6.5	-	10.1	-	-	-	-	-	-	-	44.2	11.8
Palm oil mill effluent (POME)	2.8	-	-	-	-	-	-	-	-	-	-	2.8	0.7
Rice husks, rice straw	46.0	23.0	34.5	2.1	10.8	17.4	3.4	1.4	-	0.0	-	138.6	36.9
Sugarcane bagasse, tops & leaves	2.8	14.9	3.0	0.1	2.1	0.8	-	0.0	-	-	-	23.9	6.4
Sugarcane molasses	1.2	4.0	0.6	-	1.0	0.2	-	-	-	-	-	7.0	1.9
Cassava residues (pulp, stem)	5.3	4.5	2.2	-	-	-	0.1	0.0	-	-	-	12.2	3.2
Maize cob/husk/stover/straw	-	3.5	10.6	-	0.8	-	0.1	0.1	-	0.0	-	15.1	4.0
Coconut shell, front, husk, bunches	-	-	0.7	0.9	5.4	-	-	-	-	0.0	-	7.1	1.9
Coffee husk	-	-	0.9	-	-	-	-	-	-	-	-	0.9	0.2
Peanut (groundnut) shell, husk	-	-	0.6	-	-	-	-	-	-	-	-	0.6	0.2
Forest and wood industry residues	13.1	3.7	5.3	8.2	-	1.3	-	-	-	-	-	31.5	8.4
UCO	0.2	-	-	0.1	-	-	-	-	-	-	-	0.3	0.1
MSW	13.5	5.6	6.5	2.2	2.9	0.4	-	0.0	1.2	-	-	32.3	8.6
Total per country	142.5	85.8	72.4	24.8	23.4	20.0	3.6	1.5	1.2	0	-	375.3	
Country contribution (%)	38.0	22.9	19.3	6.6	6.2	5.3	1.0	0.4	0.3	0.0	-		

Vietnam SAF Feedstock Availability

SUSTAINABLE
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Feedstock Potential

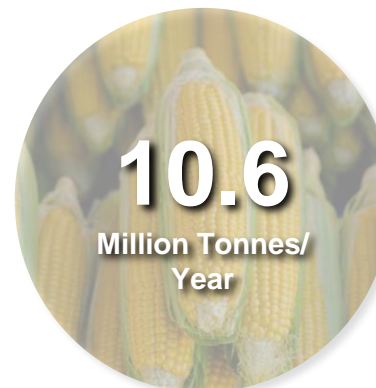
Vietnam's available bio-based feedstocks accounts for close to **20% of Southeast Asia's total feedstock potential.**



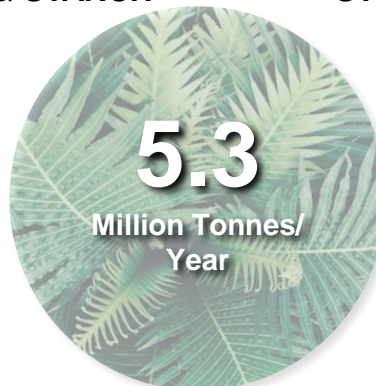
**CASSAVA
ROOTS & STARCH**



**RICE HUSKS &
STRAWS**



**MAIZE COB,
HUSK, STOVER &
STRAW**



**FOREST & WOOD
INDUSTRY
RESIDUE**

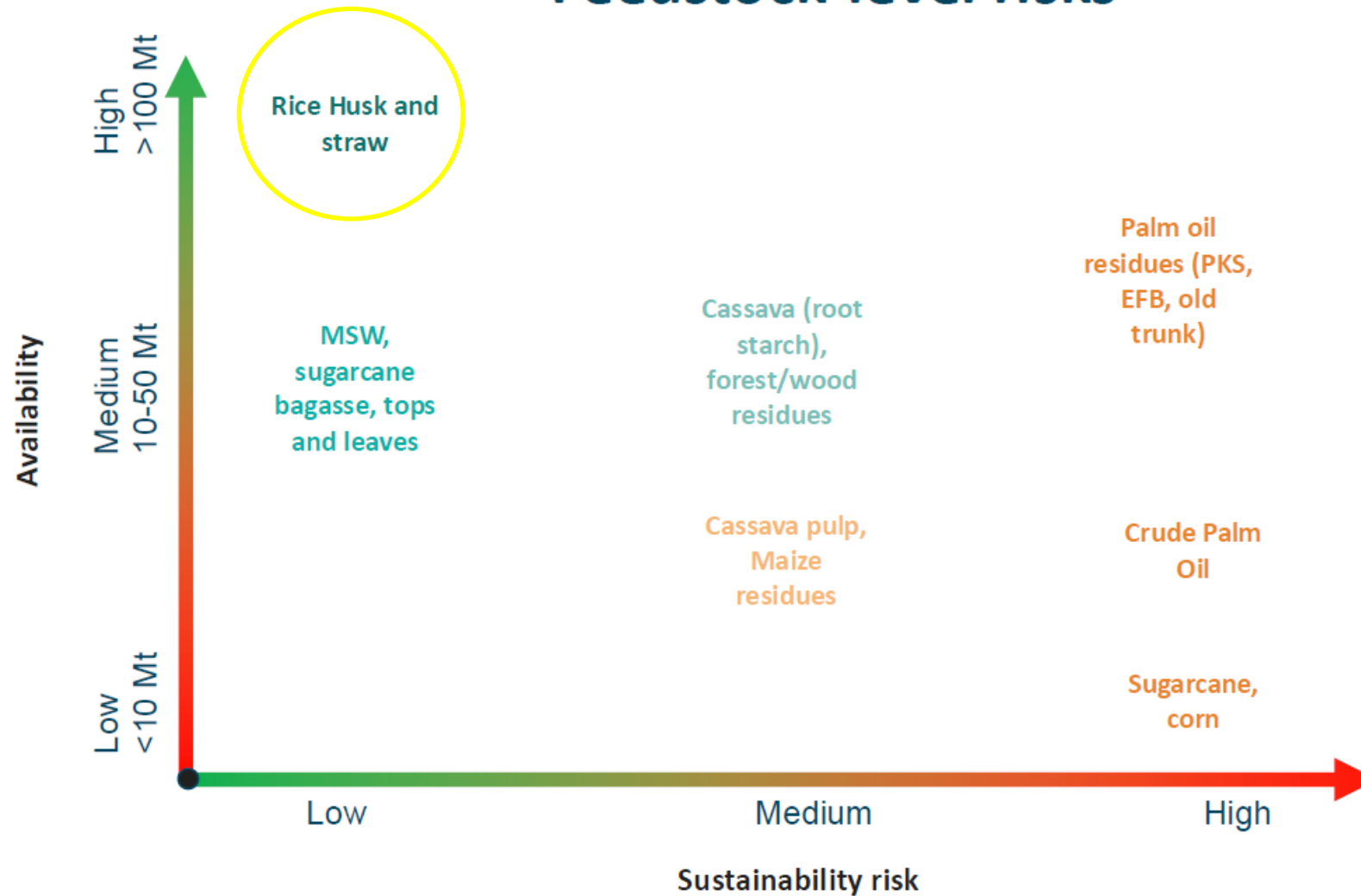


**MUNICIPAL SOLID
WASTE**

2023 Conference on Alternative Aviation Fuels/3

5% reduction
in the carbon intensity of the fuel
used in 2030 through the use of
SAF and LCAF

Feedstock-level risks



Sustainability Criteria: CORSIA Phase 1

(2024-2026)



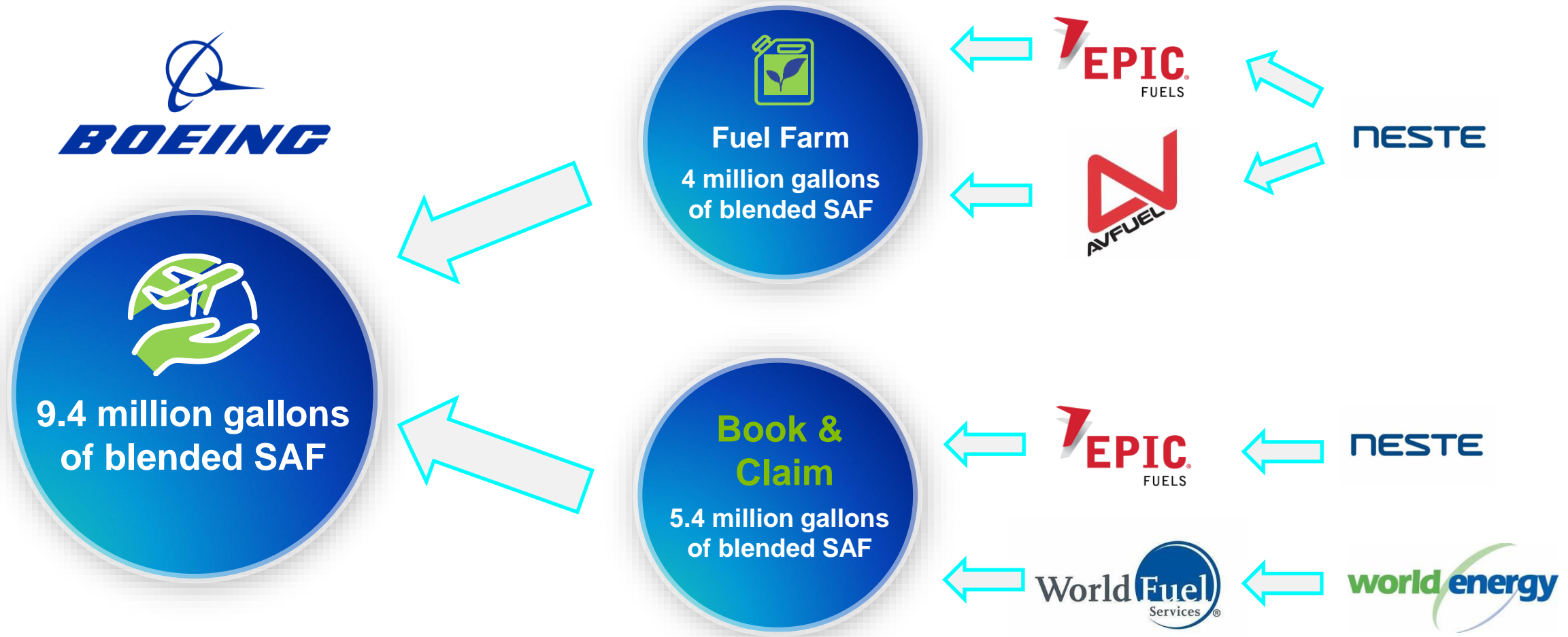
Sustainability standards covering not only climate impacts, but social and environmental security as well.

	Theme	Principle
1	Greenhouse Gases	<i>CORSIA SAF should generate lower carbon emissions on a life cycle basis. (Currently at least 10%)</i>
2	Carbon stock	<i>CORSIA SAF should not be made from biomass obtained from land with high carbon stock.</i>
3	Water	<i>Production of CORSIA SAF should maintain or enhance water quality and availability.</i>
4	Soil	<i>Production of CORSIA SAFs should maintain or enhance soil health.</i>
5	Air	<i>Production of CORSIA SAF should minimize negative effects on air quality.</i>
6	Conservation	<i>Production of CORSIA SAF should maintain biodiversity, conservation value and ecosystem services.</i>

	Theme	Principle
7	Waste and Chemicals	<i>Production of CORSIA SAF should promote responsible management of waste and use of chemicals.</i>
8	Human and labour rights	<i>Production of CORSIA SAF should respect human and labour rights.</i>
9	Land use rights and land use	<i>Production of CORSIA SAF should respect land rights and land use rights including indigenous and/or customary rights.</i>
10	Water use rights	<i>Production of CORSIA SAF should respect prior formal or customary water use rights.</i>
11	Local and social development	<i>Production of CORSIA SAF should contribute to social and economic development in regions of poverty.</i>
12	Food security	<i>Production of CORSIA SAF should promote food security in food insecure regions.</i>

Sustainable Aviation Fuel Procurement

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Source: [Boeing Makes its Largest Purchase of Blended Sustainable Aviation Fuel](#)

Boeing Announced SAF Projects

SUSTAINABLE
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- Wagner Sustainable Fuels
- EIS: 2029 SAF production
- Boeing, Wagner, LanzaJet, LanzaTech
- CSIRO & Boeing SAF Roadmap



- Japan SAF Assessment
- EIS: Completed, April 2024
- Boeing, SMBC Aviation Capital, Mitsubishi Heavy Industry
- Boeing Research & Technology Office, Nagoya



- Sewage waste to SAF technology
- EIS: 2029 SAF Production
- Boeing, Clear Sky, Firefly
- Provide training, direction and facilitation on testing



- Strategic partner for technology development for biocrude to SAF pathway
- EIS: 2027 Pilot Scale SAF Production
- Boeing, Honeywell UOP, DOE



- Pacific Northwest SAF Production
- EIS: 2029 SAF Production
- Boeing, Macquarie, KLM
- “Best in class” future offtake contracting language

Vietnam SAF Ecosystem

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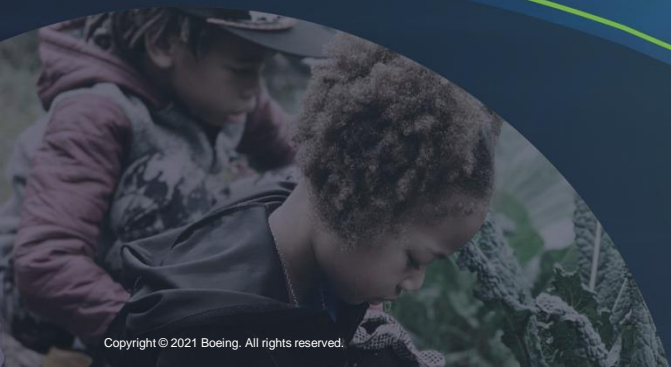
Southeast Asia Primed to Play Key Role in Growth of Sustainable Aviation Fuel Industry



Vietnam SAF Opportunity

Building a local SAF ecosystem will benefit Vietnam's environment and economies





IFC SUSTAINABLE COOLING INITIATIVE



Creating Markets, Creating Opportunities

IFC'S SUSTAINABLE COOLING STRATEGY IS A "FIVE BY FIVE" PLAN

FIVE FOCUS SECTORS

DISTRICT
COOLING



COOLING FOR
GREEN BUILDINGS



CONSUMER &
SME FINANCE



INNOVATION FOR
MANUFACTURING &
AGRIBUSINESS



COLD CHAINS
& LOGISTICS



COOLING AS A SERVICE

FIVE ENGAGEMENT PILLARS

THOUGHT LEADERSHIP,
MARKET MAPPING



TRANSFORMATIVE
COOLING SYSTEMS



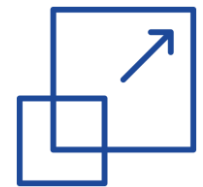
INVESTMENT
READINESS



DE-RISK
FINANCING



OPERATIONALIZE
& SCALE UP



IFC CAN SUPPORT INVESTMENT CLIENTS THROUGH A MENU OF INTERVENTIONS



1. Cooling as part of Decarbonization Strategy

Provide awareness and training on the business case for sustainable cooling as part of wider decarbonization efforts. Auditing and benchmarking of assets and/or processes, supported by pre-feasibility and feasibility studies, in order to create a firm-wide strategy.



2. Implementation Support

Support implementation of sustainable cooling solutions and peripherals that enable cooling, such as renewable energy. Incorporate proven technologies or pilot new technologies through matchmaking process of providers and adopters, including with financial institutions.



3. Finance & Disclosure

Guide clients through financial structuring for IFC's investment, mobilizing concessional finance and crowding in green capital wherever possible. Ensure disclosure and recognition of efforts.

Supporting the client journey



Market mapping,
data collection



Client
preparedness
and training



Audit &
benchmarking
of assets and
processes



Pre-feasibility and
feasibility studies



Firm- or bank-
wide strategy
and solutions



Operational and
business model
enhancement



Technical
Assistance



Matchmaking
providers and
adopters



Piloting New
Technologies



De-risking
finance



Financial
structuring



Reporting &
Marketing

Strategic Support

Technical Support

Transaction Support

Focus on Transformative Cooling Systems with a view toward IFC's Investment

DIGITALISATION IN AGRICULTURE

- The Digital Revolution in Agriculture.
- Mavin Group as a case study.

➤ David Whitehead

Chairman Mavin Group, Director Auscham Vietnam

Director VBF, Head of Agribusiness WG

18 September 2024, HCMC

1



Technology in Agriculture

Agriculture is on the brink of a revolution.. a digital revolution. And it is the key to economic development for Vietnam.

Agriculture has gone through significant evolution. Mechanization revolutionized farming with machinery replacing horses with tractors. Today, technology has been adopted at an increasing rate to the extent that technology has become an indispensable necessity for every farmer.

There is not enough land worldwide to support today's population using yesterday's technology.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

2



Technology in Agriculture

AgTech has rapidly changed the industry in recent years. Technologies are helping farmers improve efficiency and maximize yield.

Also revolutionizing livestock management, pig farming, poultry farming, cattle farming and other livestock-related agribusinesses.

Farmers face pressures to produce more with less in order to:

- feed an expanding global population,
- minimize the threat to the environment,
- cope with climate change and rising global temperatures,
- survive with water and energy restrictions, and
- satisfy the new food preferences of a rising generation of sophisticated customers concerned about their health and the health of their children.



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3



Technology in Agriculture

Technology plays a major role in developing the agricultural industry. With emerging technologies, it is an exciting time to be a farmer.

The benefits of emerging technologies in agriculture include:

- Smart machines increase efficiency of sowing and harvesting of crops.
- Sensors and automation Increase production and reduce production time.
- There is now increased productivity and increased output.
- Farmers are alerted to drought, storms or other natural disasters.
- Better use of water, fertilizer, and pesticides makes food cleaner, healthier, traceable and keeps food prices down.
- Technologies in labelling and packaging improve product identification and storage.
- Technologies help farmers access and understand profitable markets.



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4



Technology in Agriculture

The industry is facing many challenges, such as rising costs of supplies, a shortage of skilled tech savvy labour, and changes in consumer preferences for clean, hygienic traceable food.. Other challenges include:

- Agriculture practices have multiplied negative impacts on the environment due to excessive use of fertilisers and pesticides in the past.
- The climate is unpredictable, which can damage equipment and hamper yield.
- The cost of maintenance of technology & equipment is high.
- Ongoing education and training in new technologies and environmental management is required.
- Minimising use of energy and water.
- Need to understand a complex, growing web of environmental laws and regulations.



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5



Technology in Agriculture

New technologies result in innovations in agriculture that make agriculture a sustainable, profitable, and competitive enterprise.

The challenges posed by today's and tomorrow's global food demand will continue to push the agriculture industry towards technological innovations.



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6



Technology in Agriculture

Agricultural technology integration has become a key strategy for attaining agricultural sustainability.

AI, big data, cloud computing, smart sensors, Internet of Things (IoT) technology, robotics, and drones, are the primary digital technologies enabling the development and implementation of smart agricultural systems.

The next phase of industrial agriculture will be powered by the integration of these technologies into smart agriculture, including digitalisation, the agricultural supply chain, ecological issues, and crop production.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

7



Technology in Agriculture

AI technologies are being used in agriculture in a variety of contexts:

- altering conventional agricultural methods,
- lowering costs, enhancing the sustainable and efficient use of resources, and
- eliminating market asymmetries that keep farmers from participating in regional and global value chains.

Due to developments in big-data analytics, cloud computing, and computing power, as well as lower costs for satellite imagery, remote sensors, and other hardware (like smartphones), mobile connectivity has become more accessible and affordable, making the use of AI technologies for agriculture commercially viable.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

8



Technology in Agriculture

AI real-time data enables farmers to apply pesticides, fertilisers, and irrigation with precision, improving crop yields and making the best use of available resources.

When paired with current agricultural and environmental data, AI models can reliably forecast crop yields. AI systems are also able to recognize and categorize weeds, illnesses, and pests.

AI systems identify possible crop dangers early on. This reduces the need for widespread pesticide applications by enabling farmers to implement focused preventative measures like localized interventions or precision spraying.



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9



Technology in Agriculture

AI driven irrigation systems improve water use by using sensor data. This increases total water-usage efficiency, encourages water conservation, and reduces water stress on plants. Farm equipment is being revolutionized by AI technologies, which make automation and autonomous operations possible.

AI-enabled robotic systems lower the need for labour, boost operational effectiveness, and raise total production.

Using cutting-edge technology is one of the measures for attaining sustainability and competitiveness in this industry.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

10



Technology in Agriculture

Agricultural sustainability, which is the capacity to satisfy current demands without endangering those of future generations, has become a crucial issue.

A radical transformation in agricultural techniques is required.

This is accomplished by safeguarding, reusing, replenishing, and preserving the foundation of natural resources, such as land (soil), water, and wildlife, which support the preservation of natural capital.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

11



Technology in Agriculture

In agricultural systems, sustainability encompasses

1. **persistence**: the ability of a system to endure over extended periods of time, and
2. **resilience**: the ability of a system to withstand shocks and pressures.

A farm has to be financially successful in order to be really sustainable.

While better crop rotation and soil management can boost yields in the short term, other environmental benefits from sustainable practices, such as increased water availability and soil quality, can boost farm values over the medium and long terms and enable payments for environmental services.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

12



Mavin Group Case Study

- Established in 2004 Australian FIE
- Livestock agrifood company
- Farms, Feedmills, Veterinary Pharmacy labs, Food Processing plant
- Farm to Table Operation



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13



Mavin network in Vietnam

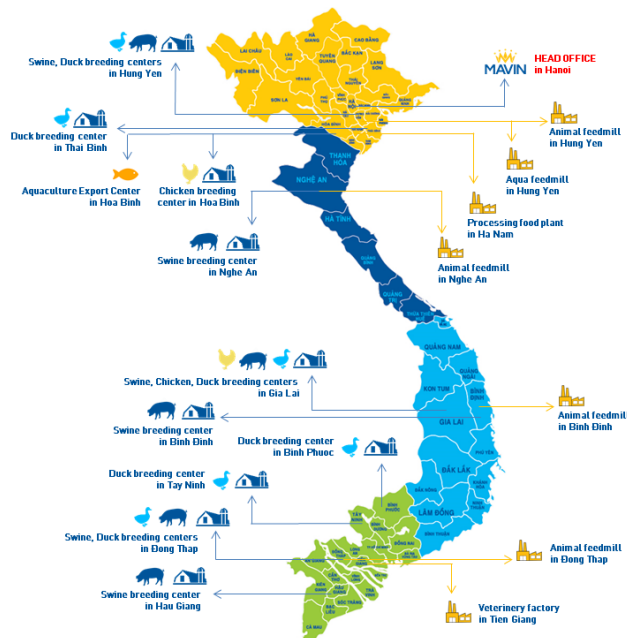
Head Quarters in Hanoi
 5 feedmills
 1 food processing plant
 2 veterinary pharmaceutical laboratories
 5 breeding farms
 100 contracted and rented farms

20 member companies and 1,000 distributors nationwide.

2,000 staff

Overseas Representative Offices:

1. MAVIN CAMBODIA CO., LTD.
Phnom Penh city, Cambodia
2. MAVIN LAOS CO., LTD.
Vientiane, Laos



Endeavouring to develop sustainable Agribusiness in Vietnam

14



Mavin in the South

- Although Mavin's operations stretch from north to south in Vietnam, we invest in facilities in the southern region:
- Tieng Giang – 2 modern veterinary pharmacy labs.
- Dong Thap –large animal feedmill (capacity of 350,000 tons per year); and a large pig breeding complex on 45 hectares jointly funded in partnership with the IFC.



Chung tay Phát triển bền vững ngành Nông nghiệp Việt Nam

15



Mavin Digital Transformation

- Because Mavin operates a number of facilities in Vietnam, we needed to have a systematized approach to information sharing, data collection, recording and reporting so that we had an understanding of how we were performing.
- After looking at a number of possible digital solutions, in 2019 we decided on an SAP ERP platform S/4 HANA; we used Deloitte as our facilitating partner, and Microsoft as our cloud computing solution.



Developing sustainable Agribusiness in Vietnam

16



Mavin Five-Year DX Plan

Year	Enterprise Resource Planning	Cloud Computing	Digital	Smart Production and Services (IoT, IoF, AI, Big Data, Virtual Intelligence)
2019	<ul style="list-style-type: none"> ✓ ERP for Feed industry ✓ Analytics (BI & MIS) 	<ul style="list-style-type: none"> ✓ Infrastructure as a Service (IAAS) 	<ul style="list-style-type: none"> ✓ Digital Sales (E-Ordering) 	<ul style="list-style-type: none"> ✓ Smart Factory (phase 1)
2020	<ul style="list-style-type: none"> ✓ ERP for Food industry, VET industry 		<ul style="list-style-type: none"> ✓ Digital Workplace (E-Office, E-Meeting) 	<ul style="list-style-type: none"> ✓ Smart Farming (Aqua) ✓ Smart Farming (Sows)
2021	<ul style="list-style-type: none"> ✓ ERP For PigFarm industry ✓ Human Resource Management (HiStaff) 		<ul style="list-style-type: none"> ✓ Digital Workplace (E-Learning) 	<ul style="list-style-type: none"> ✓ Smart Farming (Sow Connect, Porker floor)
2022	<ul style="list-style-type: none"> ✓ Business Planning and Consolidation (BCP) 	<ul style="list-style-type: none"> ✓ Software as a Service (SAAS) (Success Factor) ✓ Cloud Security 	<ul style="list-style-type: none"> ✓ Digital Workplace (MyMavin, eSign, eForm) ✓ Digital Sales Journey (DMS) 	<ul style="list-style-type: none"> ✓ Smart Factory (phase 2) ✓ Smart Farming (phase 2)
2023	<ul style="list-style-type: none"> ✓ ERP for New Feed Mills, Farms ✓ Big Data 	<ul style="list-style-type: none"> ✓ SAAS (Customer Relationship Management) 	<ul style="list-style-type: none"> ✓ E-Forms 	<ul style="list-style-type: none"> ✓ Early warning system, Vision AI, AI Veterinary Services
Solution Providers & Implementation Partners				

17

Mavin applies SAP Enterprise Resource Planning (ERP) to the whole supply chain



Single, integrated platform



Standardized business processes and master data across the Group



Management visibility of Mavin's business performance through an integrated real-time system



Ensure "single version of the truth" – facilitate decision support for management

18



Conclusion

- Digitilisation, including AI, automated equipment and systems, is here to stay in a sustainable agriculture industry.
- Those of us in the sector in Vietnam recognize that to survive and thrive we need to understand and embrace the new technologies, in order to effectively and efficiently provide clean and hygienic food to the people.



Chung tay phát triển bền vững ngành Nông nghiệp Việt Nam

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VBF VIETNAM
BUSINESS
FORUM

Questions ?

20

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POLICY DIALOGUE 2024				
SUMMARY OF PROPOSALS OF ASSOCIATIONS, WORKING GROUPS, MEMBER COMPANIES & ASSIGNMENT OF AUTHORITY TO HANDLING PROBLEMS				
STT	Field	Summary of the issue	Recommendation	Association, WG, Company
HO CHI MINH CITY				
HEALTH SERVICE				
1.	Cosmetics	<p>Ho Chi Minh City (HCMC)'s Department of Health (DOH) currently requires hardcopy submissions for cosmetic notification and advertising dossiers, as the level-4 online dossier system has not yet been implemented.</p> <p>At HCMC DOH, even though companies have submitted Notification and Advertising dossiers on the City Public Service Portal, companies are still required to send the hardcopy version to DOH office. Dossier review and approval depend on hardcopy submission time, which duplicates and prolongs the process of receiving and processing dossiers, creating a large amount of work for both the DOH in processing and resolving administrative procedures and for businesses in preparing and monitoring dossiers.</p> <p>We note that the current City Public Service Portal - that HCMC DOH is using for online submission, only needs a few upgrades (e.g. add function to accept re-submission after DOH provides feedback on the first round dossier) then that portal is fully capable to process online dossier. Therefore, dropping hardcopy requirement and moving to fully online dossier is feasible in the near future.</p> <p>We also note that the process of notification of imported cosmetics at the Drug Administration of Vietnam has been implemented completely online, applied electronic signature</p>	<p>We kindly request the Ho Chi Minh City's DOH to deploy level-4 online dossier for Cosmetic Notification and Advertising dossiers, applying completely online process (submission, fee payment, review, electronic signature, approval) without requiring hardcopy in parallel. This should be implemented as soon as possible to ease businesses' challenges.</p> <p>Accelerate the digitization process to avoid creating more administrative work for businesses and management agencies.</p> <p>Coordinate with the Drug Administration of Vietnam to build a centralized database.</p>	EuroCham's Cosmetic Sector Committee

POLICY DIALOGUE 2024				
SUMMARY OF PROPOSALS OF ASSOCIATIONS, WORKING GROUPS, MEMBER COMPANIES & ASSIGNMENT OF AUTHORITY TO HANDLING PROBLEMS				
STT	Field	Summary of the issue	Recommendation	Association, WG, Company
		<p>on the National Single Window System linked to the Customs system, and in some DOHs such as Binh Phuoc Provincial DOH, the cosmetic dossiers are conducted completely level-4 online, without requiring submission of hard copies in parallel. Therefore, HCMC DOH surely can move to level-4 online dossier without facing any constraints on regulatory requirements.</p> <p>The complete digitization of DOHs' cosmetic notification and advertising application process will bring many benefits. Currently, companies have to submit documents both online and physically, creating an unnecessary administrative burden for both businesses and regulators. A complete digital system will streamline the process and increase efficiency for all stakeholders.</p>		
2.	Online payment process on the Administrative Procedures Information System of Ho Chi Minh City https://dichvucong.hochiminhcity.gov.vn/vi/	<p>Our Company mainly carries out administrative formalities under Ho Chi Minh City's Service of Health on the "Ho Chi Minh Administrative Formalities Portal" (the "Portal").</p> <p>Before Official Letter No. 5062/TB-SYT (dated 05 June 2024), the Company makes payment fee via bank transfer. Fees are transferred directly from the Company's bank account to the bank account of Ho Chi Minh City's Service of Health.</p> <p>From 10 June 2024, Official Letter No. 5062/TB-SYT takes effect. Ho Chi Minh City's Service of Health closed their bank accounts and fully switched to using online payment on the Portal. With this new way of payment, at Step 4 according</p>	<p>Our Company sincerely appreciates the Authorities' effort in innovation to improve/upgrade the quality of Public Services.</p> <p>Our proposal is as below: It is optional for Companies to choose the appropriate payment method among online payment on the Portal and traditional bank transfer (the payment completion could be verified on the Portal by uploading invoices, payment advice, bank confirmation, etc.)</p>	EuroCham's European Standards Medicine Sector Committee (ESM)

POLICY DIALOGUE 2024				
SUMMARY OF PROPOSALS OF ASSOCIATIONS, WORKING GROUPS, MEMBER COMPANIES & ASSIGNMENT OF AUTHORITY TO HANDLING PROBLEMS				
STT	Field	Summary of the issue	Recommendation	Association, WG, Company
		<p>to the instructions in the appendix enclosed with Official Dispatch No. 5062/TB-SYT mentioned above, the Company can only choose 1 of the following 2 ways:</p> <p>1/ Open the banking app, e-wallet and scan the QR</p> <p>2/ Enter Company's bank account.</p> <p>With both methods, our Company as well as many overseas companies encounter the following difficulties:</p> <ul style="list-style-type: none"> - Both methods must be executed manually by humans for each dossier, and all require logging into the company's bank account (that person must have the login username & password). - Meanwhile, the Company's bank account (login username & password) is not assigned to any employee/individual to manage, including Accounting or Finance department, aiming to security - compliance management purposes as well as prevention of risk and negative. Transfers are made through an internal encryption system. Money is transferred after entering a disbursement order on this internal system. Lead time to complete the internal payment process is 3-5 days from the date of payment request. <p>Thus, Companies with the same payment process management presented above (especially overseas companies) are not able to pay fees via online payment on the Portal.</p>		

POLICY DIALOGUE 2024				
SUMMARY OF PROPOSALS OF ASSOCIATIONS, WORKING GROUPS, MEMBER COMPANIES & ASSIGNMENT OF AUTHORITY TO HANDLING PROBLEMS				
STT	Field	Summary of the issue	Recommendation	Association, WG, Company
DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENT				
3.	Green technology transformation	EPR has launched in Vietnam since beginning 2024, it is good for environment and sustainability development. However, EPR in Vietnam is in its very first steps while recycling technology requires time to develop. That's why at this moment, low-value-plastic have not had solution and still a headache issue for companies, who are using that kind of plastic and authorities.	Co-processing is the most suitable solution for non-recyclable materials. We recommend to consider co-processing as a part of EPR and contribute to circular economy in the mean time	INSEE Vietnam
4.	Land	Land planning and land use purposes for a short-term training center (English center). <ul style="list-style-type: none"> - The English center is a short-term training center, belonging to the field of continuing education as stipulated in Article 46 of the education law. Foreign language training is classified under National Economic Sector Code 8559, an unclassified education sector code, allowing training at any location. - However, the establishment of English centers has been encountering problems involving the mandatory need to meet land planning and land use purposes. This means that an English center must be established on land planned for training. Individual houses with legal ownership certificates do not have an educational function, so the management agency has no basis to allow English training at those facilities. 	To not apply the conditions of land planning and land use for the purpose of a short-term training center (English center).	VBF – Education and Training Working Group.

POLICY DIALOGUE 2024				
SUMMARY OF PROPOSALS OF ASSOCIATIONS, WORKING GROUPS, MEMBER COMPANIES & ASSIGNMENT OF AUTHORITY TO HANDLING PROBLEMS				
STT	Field	Summary of the issue	Recommendation	Association, WG, Company
DEPARTMENT OF PLANNING AND INVESTMENT				
5.	ESG Disclosure and Classification	<ul style="list-style-type: none"> Currently, Vietnam has no regulations on ESG disclosure and green classification to identify projects, products and investments that satisfy green and sustainable development criteria. Currently, Vietnam has not met the large investment demand for green projects in Southern Vietnam and is not ready to deploy sustainable linked finance. 	<ul style="list-style-type: none"> Inform the Ministry of Planning and Investment (MPI) and the Deputy Prime Minister (DPM) of the urgency in promoting foreign direct investment (FDI) by issuing the Green Classification. Be careful not to create complicated and lengthy administrative procedures when implementing ESG disclosure 	EuroCham Sustainable Finance Subcommittee
6.	Transportation and Logistics	Vietnam's green agenda needs to be clarified, especially in relation to the transport sector. What are the specific plans to phase out old, inefficient, polluting vehicles and move towards Euro 5 and Euro 6 standards, alternative fuels and electric vehicles?	There needs to be more clarity on plans to phase out old, inefficient vehicles and move towards alternative fuels and Euro 5, Euro 6 electric vehicles.	EuroCham Transport and Logistics Subcommittee
7.	Investment	<p>Market access conditions for foreign investors</p> <p>According to the provisions of Article 17.4 of Decree 31/2021/ND-CP, market access conditions for industries and professions that Vietnam has not committed to market access for foreign investors are applied as follows:</p>	When considering applications for investment registration certificates for foreign investors, we respectfully propose that the competent authorities should have a more flexible review mechanism to maintain market access for foreign investors, especially in areas	Investment & Trade Working Group

POLICY DIALOGUE 2024				
SUMMARY OF PROPOSALS OF ASSOCIATIONS, WORKING GROUPS, MEMBER COMPANIES & ASSIGNMENT OF AUTHORITY TO HANDLING PROBLEMS				
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		<ul style="list-style-type: none"> In cases where Vietnamese law does not have regulations restricting market access for that industry or profession, foreign investors are allowed to access the market as prescribed for domestic investors. In case Vietnamese law has provisions on restricting foreign investors' access to the market in that industry or profession, the provisions of Vietnamese law shall apply. <p>Therefore, for an industry that Vietnam has not committed to in any international treaty, if Vietnamese law does not have regulations restricting market access for that industry and there are no conditions even when applied to domestic investors, foreign investors still have the right to operate that industry in the Vietnamese market, considering Vietnam's general orientation in creating favorable conditions for foreign investment.</p> <p>However, in practice, when applying for an Investment Registration Certificate (" IC ") for foreign investment in areas that have not been committed to in international treaties, we have seen many difficulties from competent authorities when giving overly restrictive views in approving investors, although the explanation has clearly and fully stated compliance with Vietnamese law. This has caused many obstacles for foreign investors, which may affect the general investment context in Vietnam.</p>	where Vietnam has not yet imposed restrictions in international treaties.	

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8.	Investment	<p>Licensing authority requirements for more documents than those required by law</p> <p>Current regulations (i.e. Article 9.2 of Decree 01/2021/ND-CP and Article 6.1(b) of Decree 31/2021/ND-CP) strictly prohibit agencies from Accepting applications requires additional documents for licensing purposes in addition to those required by law.</p> <p>However, in reality, contrary to the above regulations, licensing agencies sometimes still require investors to submit additional documents that are not required by law. This can cause significant delays in investment and business registration and cause investors/businesses to incur additional costs in negotiating and preparing these documents.</p>	We respectfully suggest that the authorities consider and not request any additional documents other than those required by law.	Investment & Trade Working Group
9.	Investment	<p>Simplify procedures for granting business licenses</p> <p>Vietnam could significantly boost foreign investment by simplifying and streamlining the procedures for obtaining and renewing Business Licenses. This is particularly important for foreign investors who may be discouraged by complex bureaucratic processes. In this regard, we would like to mention the licensing procedures for obtaining Business Licenses under Decree 09/2018/ND-CP ("Decree 09") .</p> <p>To date, the licensing procedures and time taken for foreign-invested enterprises to obtain Business Licenses for sectors including retail, equipment rental and e-commerce from the Ministry of Industry and Trade (MOIT) remain complex</p>	We would like to request licensing authorities to strictly adhere to the current regulatory timeline for granting Business Licenses and to be more specific and clear about the required contents in the registration dossier to significantly reduce the number of rounds of required verification.	Investment & Trade Working Group

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		<p>and time-consuming. Typically, this involves multiple rounds of filing and answering questions with MOIT and the Department of Industry and Trade (DIT). This can take up to 12 months.</p> <p>According to Decree 09, the statutory time limit (depending on the specific activity and the Business License application) from the DIT is 13 working days. If the DIT needs to consult the MOIT further, the MOIT must take an additional 28 working days to respond.</p> <p>However, in practice, in most cases, approval/opinion from the MOIT is required regardless of whether the activity is covered by Article 5.1 and Article 8.3 of Decree 09. This period can last up to 3 months for each internal process between the SCT and the MOIT. If there are 2 to 3 rounds of questions and/or requests for additional information from the MOIT, it can take up to 9 - 12 months to complete. We know of cases where it took a year to obtain a Wholesale Lubricant Distribution Business License.</p>		
10.	Investment	<p>Eliminate the requirement for an economic needs test (ENT) as part of Vietnam's commitment to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).</p> <p>Regarding the establishment of retail establishments by foreign-invested companies in Vietnam, we understand that the ENT exemption will take effect 5 years after the date of</p>	We respectfully suggest that licensing authorities provide practical guidance and confirmation on whether and when the ENT requirement under CPTPP can be removed for applications for establishing retail outlets of foreign-invested companies in Vietnam.	Investment & Trade Working Group

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		<p>entry into force of the CPTPP for Vietnam (i.e. from January 15, 2024).</p> <p>However, Resolution 72/2018/QH14 of the National Assembly approving CPTPP does not mention the application of CPTPP to ENT (implementing ENT exemption under CPTPP). We also understand that currently, relevant Departments and Bureaus under the Ministry of Industry and Trade are working to report, propose, and seek opinions from relevant state agencies on the amendment of Decree 09.</p> <p>Therefore, to date, the ENT exemption has not been regulated for implementation for investors eligible under the CPTPP. This may be delayed until the new Decree amending Decree 09 is issued.</p> <p>However, in most cases, implementing regulations/guidelines are not required to implement the commitments of a treaty, provided that the treaty has been properly ratified/adopted. A State's obligation to comply with the obligations of an international treaty arises once it has demonstrated its "consent to be bound" under the Vienna Convention. (e.g. through ratification, acceptance, approval and accession). Furthermore, Vietnamese law also contains many provisions recognizing that applicable international treaties will take precedence in the event of inconsistency with domestic law.</p>		

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DEPARTMENT OF TRANSPORTATION				
11.	Transportation and Logistics	Road infrastructure around Ho Chi Minh City is still not up to the standards of the northern regions. Bien Hoa is not an attractive distribution center for Ho Chi Minh City customers. In addition, South Binh Duong lacks new high-quality warehouses, old warehouses have land lease terms of less than 20 years and no clear renewal plan, so investment is not encouraged due to short payback periods. What are the plans to improve connectivity with Ho Chi Minh City?	Need to clarify plans to improve connectivity to Ho Chi Minh City	EuroCham Transport and Logistics Subcommittee
TAN SON NHAT INTERNATIONAL AIRPORT				
12.	Tourism & Hospitality	Long queues at immigration counters at Tan Son Nhat airport negatively impact visitors' first and last impressions and the international image of Ho Chi Minh City.	<ul style="list-style-type: none"> - Airport staff: Ensure adequate immigration staff, especially during peak times. - Airport services: Prioritize passenger satisfaction by improving basic airport services such as lounges, baggage claim areas, check-in counters, restrooms and air conditioning systems. - Data Analytics: Use real-time data analytics to track passenger flows and identify bottlenecks in the immigration processing process. - Immigration Performance: Implement pre-approved programs (eg Global Entry), mobile passport apps, and establish priority lanes. specifically, priority lanes should be provided for Business Class passengers as well as 	EuroCham Tourism, Restaurants and Hotels Sub-Committee

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			senior passengers or passengers with small children.	
HCM CITY TAX DEPARTMENT				
13.	Land-rental-fee arrears	<p>The Group has signed the Framework Agreement on Investment since 2005, which clearly stipulates investment incentives for direct investment projects by the Group and its subsidiaries, including incentives for land-rental-fee exemption and <i>a land rental fee of USD 0.2/m2/year for high-tech production projects</i>. On the basis of the contents of the Framework Agreement on Investment, on July 03, 2012, the Management Board of the Saigon Hi-tech Park signed a Land Lease Contract with the enterprise according to the land rental price agreed in the framework agreement and the enterprise has fulfilled its financial obligations and been granted a land use right certificate.</p> <p>In 2019, the Group was restructured internally whereby the enterprise was merged into another enterprise, which is also in the same high-tech park and is another subsidiary of the Group in Vietnam. On the basis of the merger contract, the land has been transferred to the merging company to inherit all rights and obligations.</p> <p>Up to now, the enterprise is the merger company, has a need to update information about land users in the Land Lease Contract and the Land Use Right Certificate, but it has encountered problems. The Management Board of the Saigon Hi-tech Park said that these procedures could not be carried out due to a request on re-collecting land rental fee by the</p>	We would like to propose the People's Committee of Ho Chi Minh City, the Management Board of the Saigon Hi-tech Park and the authorities to pay attention to, to prioritize considering and solving this problem, to cancel the request for collecting additional land-rental-fee so that the enterprise can soon implement the next investment plan.	Nidec Precision Vietnam Co., Ltd.

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		<p>State Audit in 2018 up to more than VND16 billion. The reason given by the State Audit is that the Management Board of the Saigon Hi-tech Park has signed the Land Lease Contract with Nidec Seimitsu with a land price, which is calculated for the land rental fee, lower than what is specified in Decision No. 5754/QD-UBND dated December 28, 2007 of the People's Committee of Ho Chi Minh City.</p> <p>On August 5, 2024, the Management Board sent Official Letter No. 1087/KNCN-XTDT to the enterprise, the Management Board informed about the recommendation of the State Audit Office of Region IV in Official Letter No. 323/KV IV-TH dated July 23, 2024, and requested the company to pay an additional land rental fee of VND 16,643,554,372 as mentioned above.</p> <p>The Land Lease Contract was signed in 2012 in accordance with the law at the time of signing, as well as the commitments between the Group and the Management Board of the Saigon Hi-tech Park stated in the Framework Agreement on Investment. The Management Board of the Saigon Hi-tech Park needs to respect and implement its commitments in these documents.</p> <p>The fact that after 12 years from the time of signing the Land Lease Contract, the Government of Vietnam requires the enterprise to pay an additional land rental fee as mentioned above is completely unfounded and seriously violates the contents agreed in the Land Lease Contract as well as the</p>		

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		commitments that the Government of Vietnam has stated in the Framework Agreement.		
14.	VAT refund	<p>The Company fully meets the conditions for VAT refund as prescribed, but the Tax Department has been slow to process the Company's VAT refund dossier for a long time (2 years) because the Tax Department determined that the Company purchased goods from suppliers with invoice risks and requested verification. Accordingly, the Company has explained many times about the purchase and sale of goods, but up to now the Tax Department has not yet concluded and had a final solution for the Company, affecting the Company's cash flow up to tens of billions of VND in tax refunds.</p> <p>The company is a 100% Japanese-invested enterprise, with the main activities being (1) importing plastic pellets for export and (2) purchasing domestic scrap steel and reselling it to domestic customers. The company submitted an application for input VAT refund for plastic pellet export activities for the period from October 2020 to April 2022 to the Tax Department in June 2022 and has been inspected by the Tax Department before VAT refund from June 2022 to present.</p> <p>According to regulations, businesses with exported goods and services with input value-added tax of 300 million VND</p>	<p>- Proposing that the Ho Chi Minh City People's Committee considers the issue of VAT refunds that have been pending for a long time of the Company to have a direction to direct the Ho Chi Minh City Tax Department to completely handle the unit's tax refund request as soon as possible to protect the legitimate rights of investors, helping the company feel secure in production and business.</p> <p>- For the VAT amount of input invoices of suppliers that the Tax Department considers to have risks regarding invoices, the Tax Department needs to work with the tax authority directly managing our Company's suppliers (District Tax Department, Tax Department/Other local Tax Department). elaborate, based on the documents proving the authenticity of the transaction provided by the Company and if the Company's suppliers are confirmed to have completed the declaration of output VAT obligations</p>	Itochu Vietnam Co., Ltd.

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		<p>or more that has not been deducted will be refunded value-added tax on a monthly or quarterly basis.</p> <p>For dossiers subject to pre-refund inspection, no later than 40 days from the date the tax authority issues a written notice of acceptance of the dossier and the deadline for processing the tax refund dossier, the tax authority must decide to refund the tax to the taxpayer or not to refund the tax to the taxpayer if the dossier does not meet the conditions for tax refund. (Clause 2, Article 75 of the Law on Tax Administration No. 38/2019/QH14).</p> <p>In case the tax authority determines that the tax amount is eligible for refund, it will process the refund of the eligible tax amount to the taxpayer without waiting for the results of the verification of the entire tax refund dossier; for the tax amount that needs to be verified or the taxpayer is required to explain or supplement the dossier, the refund will be processed when the conditions are met according to regulations. (Clause 1, Article 34, Circular 80/2021/TT-BTC).</p> <p>During the pre-VAT refund inspection at the Company, the Tax Department determined that the Company had purchased goods from a number of suppliers with high risks regarding invoices (according to the classification on the Tax Department's system) and proceeded to verify and request the Company to explain the purchase and sale of goods. However, the Tax Department's verification process has lasted from 2022 to present, but the Tax Department has not</p>	<p>for invoices issued to the Company, the Tax Department is requested to resolve the tax refund for the Company. If it is not possible to include, the Tax Department is requested to clearly state the reasons and have a final solution for the Company.</p> <p>- For the VAT refund amount of input invoices of suppliers that the Tax Department determines there are no invoice risks and have met the tax conditions, the Tax Department is requested to immediately refund the tax to the Company according to regulations, without waiting for the verification results of the entire tax refund request dossier.</p>	

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		<p>yet concluded or resolved the Company's tax refund dossier, while the Company has actively cooperated to provide complete purchase and sale documents with these suppliers, including documents for transporting goods from the stage of level 2 suppliers to the Company's customers to prove the authenticity of the goods transport flow. Specifically:</p> <ul style="list-style-type: none"> - For the VAT amount requested for refund corresponding to the purchase transaction from suppliers with invoice risks, the Tax Department requires the Company to provide documents to prove the flow of purchased goods through the purchase and sale stages. In fact, the Company's purchase and sale contract with the supplier is a commercial purchase and sale, the seller bears the transportation costs, so the Company has provided all the necessary documents proving the transaction including the contract, goods delivery and receipt minutes, VAT invoices, and bank payment documents in accordance with the law on VAT. At the same time, the Company also coordinates with the supplier to supplement the transportation documents and documents to clarify the flow of goods in the purchase and sale transaction, and provide them to the Tax Department. The guidance of the General Department of Taxation in Official Dispatch No. 1873/TCT-TTKT dated June 1, 2022 also does not require verification of the origin of goods to the final stage in the Company's case. In addition, through working with suppliers, suppliers also committed to declaring and paying output VAT to the tax authority directly managing the invoices issued to the Company. 		

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		<ul style="list-style-type: none"> Regarding the VAT refund request of the remaining suppliers without risks that are eligible for refund, the Tax Department has not yet processed the refund for the Company in accordance with the provisions of Clause 1, Article 34 of Circular 80/2021/TT-BTC but is still waiting for verification of the VAT amount corresponding to the purchase transaction from suppliers with invoice risks. <p>The delay in processing the Company's tax refund dossier has greatly affected the Company's cash flow (the amount of VAT arrears is large, up to nearly 80 billion) while the Company's business operations are facing many difficulties. At the same time, it also affects investors' confidence in the implementation of the Government's tax refund policy, negatively affecting the investment environment in Vietnam.</p>		
DEPARTMENT OF LABOR, WAR INVALIDS AND SOCIAL AFFAIRS				
15.	Labor	<ul style="list-style-type: none"> Work Permit batch approval: Currently, Ho Chi Minh city requires that companies can only apply for a work permit once the previous applications have been completed. This has caused significant delays in bringing expat workers into Vietnam. In the provinces which we have knowledge of, HCMC is the only place requiring WP applications to be submitted batch after batch. In reality, how often or when a business needs to apply for a WP depends on the business need. We need to be more responsive to enable the WP approval process when it's needed. The existing 	The previous practice is recommended, i.e. no batch approval but individual submission and approval.	

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		<p>batch approval policy creates backlog and extra challenges to business operations.</p> <ul style="list-style-type: none"> Recruitment process: In Ho Chi Minh city, it is required that the company must interview 3 candidates shortlisted by the authorities and report back to DOLISA the interview results. This requirement poses a few challenges. First, on the side of the authorities, it's creating a huge backlog and workload for public employees; and it's a challenge to find the right employee to assess thousands of different job requirements in numerous sectors, many jobs are no doubt beyond the understanding and knowledge of a single employee. Second, on the side of the business, it is delaying the recruitment process, and the hiring company no longer has the sole ability to recruit whom they evaluate as most suitable for the job. The job posting via a government portal is required by law to encourage the recruitment of local talents, which is the right thing to do. However, in other provinces that we are aware of, they are doing so in compliant with Decree 70/2023/ND-CP without adding the requirement for the business to interview 3 candidates shortlisted by the authority and report back to the authority the interview results. 	<p>- To MOLISA: To shorten the time for job posting in a government portal to one week instead of 15 days; to shorten the job post approval process from 4 weeks to 2 weeks</p> <p>- To HCMC DOLISA: To remove the requirement for the business to interview candidates shortlisted by the authority and report the interview results to the authority</p>	

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16.	Labor	<p>According to the provisions of Point 10, Article 7, Decree 152, foreign employees who are not subject to the issuance of work permits include "Students studying at schools and training facilities abroad who have agreements to practice in agencies, organizations and enterprises in Vietnam. According to the provisions of Article 59 of the Law on Higher Education No. 08/2012/QH13, Learners are those who are studying and doing scientific research at higher education institutions, including students of college training programs, university training programs; students of master's training programs; and postgraduates of doctoral training programs.</p> <p>Currently, the Department of Labor, War Invalids and Social Affairs of Ho Chi Minh City believes that students do not include students of master's training programs and postgraduate students of doctoral training programs, leading to these subjects being unable to request a Work Permit Exemption Certificate while in reality, these subjects can still have internship agreements in Vietnamese agencies, organizations and enterprises.</p>	The HCM City Department of Labor, Invalids and Social Affairs considers and creates conditions for students of master's training programs and doctoral students of doctoral training programs to be granted work permit exemption certificates like other students.	
17.	New Decree 84/2024/ND-CP on authorizing the processing of job position approval and work permit	New Decree 84/2024/ND-CP on delegation of authority to process job position approval and work permit applications from the Ministry of Labor, Invalids and Social Affairs to the Ho Chi Minh City People's Committee: The new Decree 84 mentions delegation from the Ministry of Labor, Invalids and Social Affairs to the Ho Chi Minh City People's Committee, while normally these applications are processed by the Ho Chi Minh City Department of Labor, Invalids and	The Ho Chi Minh City People's Committee and the Ho Chi Minh City Department of Labor should coordinate to resolve this issue as soon as possible because there are many urgent documents from businesses that need to be submitted.	VBF Human Resources Group

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	applications from the Ministry of Labor, Invalids and Social Affairs to the People's Committee of Ho Chi Minh City	Social Affairs. Up to now, the Ministry of Labor, Invalids and Social Affairs has stopped receiving these applications, but both the Ho Chi Minh City People's Committee and the Ho Chi Minh City Department of Labor, Invalids and Social Affairs have not yet begun to receive and process these applications.		
18.	Travel, Restaurants & Hotels	Lack of highly qualified human resources in the tourism, restaurant and hotel sectors affects the quality of Vietnamese tourism products and services.	<ul style="list-style-type: none"> - Implement specialized training programs: Develop and implement specialized training programs suitable to the needs of the tourism, restaurant and hotel industry to improve the skills and knowledge of workers. - Promote partnerships with educational institutions: Collaborate with educational institutions to design curricula that align with industry requirements and provide students with practical experience through internships and apprenticeships. - Encourage continuous professional development: Enhance learning and continuous professional development opportunities for employees to enhance skills and stay up to date with industry trends and practices. 	EuroCham Tourism, Restaurants and Hotels Sub-Committee

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			<ul style="list-style-type: none"> - Improve recruitment strategy: Improve recruitment strategy by sourcing potential candidates through job fairs, online platforms, and partnerships with industry associations to attract skilled professionals into the industry. - Establish quality assurance mechanisms: Implement quality assurance mechanisms such as certification programs, performance evaluations and customer feedback systems to ensure that service quality standards are met and maintained in the tourism and hospitality sector. 	
DEPARTMENT OF EDUCATION & TRAINING				
19.	Labor skills	There are labor shortages in many companies with a serious mismatch between the education, skills, and experience needed to find and keep a job, and the content of formal educational and training qualifications. Educational institutions have the responsibility to enable individuals to be future ready and reduce their rate of obsolescence.	<p>To identify relevant strategies and develop plans for the implementation of these strategies for the upskilling of Vietnam's future labor force. This could be by partnership between public education institutions in each of the People's Committees and representatives of Education Institutions of the Chambers of Commerce of the VBF through the Education and Training Working Group.</p> <p>AmCham has an Education and</p>	VBF – Education and Training Working Group.

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			Training Committee and EuroChham's Human Resources & Training Sector Committee In addition, relevant industry representatives would provide valuable input from an industry perspective.	
20.	Education	Decree 13/2023/ND-CP is an important legal framework designed to protect personal data in Vietnam. However, its complex language and comprehensive requirements present significant challenges for schools, universities and organizations attempting to implement its guidelines. Additionally, many schools, universities and organizations lack in-house expertise and designated resources to review and apply these new guidelines effectively.	Development of Guidelines <ul style="list-style-type: none"> ● Create simplified guidelines and explanatory documents that break down the Decree's complex language into clear, actionable steps for implementation. Training and Workshops <ul style="list-style-type: none"> ● Initiate National training sessions and workshops for staff at educational institutions. ● Provide online courses and certification programs for data protection officers. Support and Resources <ul style="list-style-type: none"> ● Establish a helpline to offer real-time assistance and guidance. 	VBF – Education and Training Working Group.
21.	Education	Item 3, article 34 of the decree 86 stated that “As for the projects of investment in establishing short-term training institutions, pre-school educational institutions and compulsory educational institutions, the agency that issues the investment registration certificates shall get the appraisal documents from the Department of Education and Training.”	Reinforce the compliance strictly to the requirements of Decree 86. Guarantee that the relevant agencies do not request more appraisal documents that are not in the list of requested documents as stated in Decree 86.	VBF – Education and Training Working Group.

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		<p>However, in reality, beside obtaining the appraisal documents from DoET, the appraisal documents have been required from VARIOUS AGENCIES OF THE CITY OR PROVINCES (at least 4-5 agencies) including the following:</p> <ul style="list-style-type: none"> • Department of Construction, • Department of Land, • People's Committees, • Army, • City/Provincial Police, • Tax Dept, • Fire Dept, • Finance Dept, etc. <p>It has taken several months to undertake all of these activities, causing serious delays to the project.</p>		
CUSTOMS DEPARTMENT				
22.	Cosmetics	Transfer pricing: This is an accepted practice worldwide but there are no specific customs regulations related to it in Vietnam.	We recommend engagement with General Department of Vietnam Custom (GDC) to issue a clear guideline for companies applied transfer pricing for their affiliated entity in Vietnam.	EuroCham's Cosmetic Sector Committee
23.	Cosmetics	For MNC having business with their affiliates in Vietnam, Customs are asking to prove their import price using Method 4 (deduction method) by referencing the expense and profit ratios from financial reports submitted to the Tax department (as outlined in points 2a and 2c of guidance 5371 TCHQ-TXNK on guidelines for consultation on customs value promulgated by the General Department of Customs). However, as the financial report pertains to the entire	We recommend to enable businesses to utilize management reporting or similar sources for calculations instead of solely relying on financial reports submitted to the Tax departments.	EuroCham's Cosmetic Sector Committee

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		company rather than specific product levels, this discrepancy could potentially disadvantage import entities. The resulting calculations may exceed the actual import prices, leading Customs to cast doubt on the legitimacy of the import prices, even in cases where they are genuine.		
24.	Cosmetics	<ul style="list-style-type: none"> - Confusion regarding determining product name: current customs practice shows difficulty in determining the name of the product. According to the provisions of Article 11, Decree 111/2011/ND-CP, the product name is the name set by the manufacturer. On the product packaging, it can include many other elements such as logos, brands, advertising contents, etc. but these factors are not considered to constitute a product name. - Difficulties in identifying ingredients between the declaration and the product label: Sometimes there is a difference between the list of ingredients printed on the product packaging and the list declared in the declaration dossier in Vietnam. Vietnam's regulations require the listing of ingredients according to the international nomenclature INCI. However, the information on the packaging often complies with the regulations of the country of manufacture, leading to inconsistencies. For example, EU regulations may require the labelling of certain substances contained in flavorings on packaging, although technically, these substances are not ingredients and do not need to be declared in the declaration dossier in Vietnam. 	<ul style="list-style-type: none"> - In this case, we suggest allowing the business to use a confirmation letter from the factory/manufacturer is sufficient to confirm the product name in order to facilitate customs clearance activities for the business. - Accept the manufacturer's letter of explanation for the labelling requirements in the host country. 	EuroCham's Cosmetic Sector Committee

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25.	Transportation and Logistics	Commercial electric vehicles: It is not yet clear how businesses can import and use this type of vehicle in Vietnam. FDI focuses heavily on the green logistics sector, prioritizing electric vehicles and alternative fuels because transportation in the logistics sector accounts for more than 70% of total emissions.	- More clarification is needed on how to import and use commercial electric vehicles in Vietnam.	EuroCham Transport and Logistics Subcommittee
26.	Define HS codes for imported products	<p>Classification Decision</p> <p>The case concerns the decision to classify a two-component product mixed together (a resin base as part A with a hardener as Part B). Should it be classified as a “paint” (Heading 32.08) or as a “resin” coating (Heading under Chapter 39).</p> <p>The WCO HS has a very clear “50% solvent content rule which clearly states that when the solvent content is 50% or less, the product is classified under a Heading in Chapter 39. The 50% solvent rule became effective in January 2017, clearly as a way of eliminating once and for all the many disputes on this issue. And based on published test reports our products clearly contain less than 50% solvent and therefore should be classified as a resin under Chapter 39.</p> <p>In their classification the CID3 referenced an earlier (3403/TB-TCHQ). This was a GDVC decision from 2018 applying HS Code under 32.08. However, the test results in this decision give no indication of what the solvent content was in the products tested and classified under Heading 32.08. As such it is not clear whether that decision is applicable to our case. We kindly request the customs to apply the updated WCO 50% solvent criteria as basis for</p>	We would like to suggest that customs adopt the WCO's updated 50% solvent content criteria as the basis for the above classification, rather than applying a decision from 6 years ago that may no longer be suitable for our products or has not been updated.	America Indochina Management Vietnam Limited Company

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		classification on the above rather than applying a decision from 6 years ago that may not be applicable to our product or up to date.		
DEPARTMENT OF INFORMATION AND COMMUNICATIONS				
27.	Digital Transformation	The importance of effective digital transformation to the success of the Vietnamese economy and the role that education can play in this.	- To work with relevant stakeholders from the People's Committees, Industry, and Education to identify how educational institutions can help to support digital transformation in Vietnam.	VBF - Digital Economy Working Group and the Education and Training Working Group and Chambers of Commerce with an interest in digital transformation.
HCM POLICE DEPARTMENT				
28.	Transportation and Logistics	Fire safety: The lack of clear guidelines on simple installation standards, such as for 11-meter-high shelving in warehouses/factory premises, creates difficulties for investment in Vietnam. This needs to be addressed quickly because when Foreign Direct Investment (FDI) consider investing in highly automated manufacturing and warehousing facilities, they will have difficulty obtaining the necessary approvals. Regulatory ambiguity is gradually causing investment to be diverted to other countries.	- Need to clarify fire prevention and fighting regulations.	EuroCham Transport and Logistics Subcommittee

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BA RIA – VUNG TAU PROVINCE				
29.	VAT refund for export activities	<p>The Tax Department inspected the VAT refund at the Company from February 2023, the inspection period was 10 days. However, after nearly 1 and a half years, the inspection team recently sent the inspection report to the Company, concluding that the Company was not eligible for a refund for the entire VAT amount requested by the enterprise, with an amount of over VND 88 billion. The inspection team based on the fact that the Company purchased goods from 8 suppliers in high-risk cases regarding tax and invoices to refuse the tax refund, although the Company provided full documents to prove that the Company's transactions with these suppliers were real and actually took place.</p> <p>The company believes that the conclusion of the inspection team lacks legal basis according to current regulations on VAT refunds. The tax authority's refusal to refund seriously affects the business's cash flow and undermines the company's trust in the tax authority's transparency in enforcing tax laws.</p> <p>The company is a 100% Japanese-invested enterprise operating in the field of iron, steel and cast iron production. The company submitted an application for input VAT refund for export activities for the period from December 2021 to November 2022 to the Tax Department in January 2023 and was inspected by the Tax Department before VAT refund from February 20, 2023.</p>	<p>It is proposed that the People's Committee of Ba Ria - Vung Tau City consider the issue of VAT refund of the Company and direct the Ba Ria - Vung Tau Tax Department to consider and handle the Company's tax refund dossier thoroughly, in accordance with current regulations of tax law, ensuring the legitimate rights of investors, helping the Company feel secure in production and business. The Company recommends:</p> <ul style="list-style-type: none"> - For the VAT amount of input invoices of suppliers that the Tax Department considers to have invoice risks, based on the documents provided by the Company, the Tax Department needs to coordinate and work with the tax authority directly managing the suppliers to verify the authenticity of the transaction. If the company's suppliers are confirmed to have completed the declaration of output VAT obligations for invoices issued to the Company, the Tax Department is requested to resolve the tax refund for the Company. If a conclusion cannot be reached, the Tax Department is requested to clearly state 	Vina Kyoei Steel Co., Ltd.

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		<p>According to regulations, businesses with exported goods and services with input value-added tax of 300 million VND or more that has not been deducted will be refunded value-added tax on a monthly or quarterly basis.</p> <p>For dossiers subject to pre-refund inspection, no later than 40 days from the date the tax authority issues a written notice of acceptance of the dossier and the deadline for processing the tax refund dossier, the tax authority must decide to refund the tax to the taxpayer or not to refund the tax to the taxpayer if the dossier does not meet the conditions for tax refund. (Clause 2, Article 75 of the Law on Tax Administration No. 38/2019/QH14).</p> <p>In case the tax authority determines that the tax amount is eligible for refund, it will process the refund of the eligible tax amount to the taxpayer without waiting for the results of the verification of the entire tax refund dossier; for the tax amount that needs to be verified or the taxpayer is required to explain or supplement the dossier, the refund will be processed when the conditions are met according to regulations. (Clause 1, Article 34, Circular 80/2021/TT-BTC).</p> <p>During the pre-VAT refund inspection at the Company, the Inspection Team determined that the Company had purchased goods from a number of suppliers with high risks regarding invoices (according to the classification on the Tax Department's system) and proceeded to verify and request the Company to explain the purchase and sale transactions. The</p>	the reasons and have a final solution for the Company.	

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		<p>Company actively cooperated to provide complete purchase and sale documents with these suppliers, including documents for transporting goods from the stage of level 2 suppliers to the Company's customers to prove the authenticity of the goods transportation flow. However, after the verification process lasting from February 2023 to present, the Team has not been able to collect any actual evidence to determine that the Company's purchase transactions with these suppliers are not real. In the inspection report, the issue raised by the Team as a basis for refusing to refund the Company's tax is still limited to stating the situation of suppliers with risks regarding taxes and invoices. The Company believes that the classification of risks of enterprises belongs to the management of the tax authority. This classification system is not public. At the time of the transaction, there was no official announcement from the tax authority or other competent authorities about the temporary suspension of business by these suppliers or the invalidity of invoices. Therefore, the tax risk status and invoices of these suppliers on the internal system of the tax authority at the time the Delegation conducted the inspection at the unit cannot be the basis for rejecting the legality of the transactions that the Company had previously conducted with the suppliers.</p> <p>The Tax Department's refusal to refund tax to the Company lacks legal basis and is contrary to the provisions of Clause 1, Article 34 of Circular 80/2021/TT-BTC, causing difficulties for businesses both financially and in terms of business</p>		

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		psychology, and negatively affecting the investment environment in Vietnam in general.		
BINH DUONG PROVINCE				
DEPARTMENT OF PLANNING & INVESTMENT				
30.	Invest	<p>Licensing time is prolonged due to overload of some business registration agencies.</p> <p>Currently, we have recorded the overload of work volume of some business registration agencies (for example, Binh Duong Provincial Department of Planning and Investment), leading to the backlog of business registration dossiers in some localities. The time to process dossiers is longer than the time prescribed by law. It can even take more than 1 month for dossiers to adjust the Business Registration Certificate (not including the time for enterprises to adjust dossiers as requested). Meanwhile, the time prescribed by law to carry out this procedure is only 3 working days.</p>	We Ipropose that licensing authorities consider allocating additional human resources to facilitate the smooth implementation of procedures within the time limit prescribed by law.	Investment & Trade Working Group
31.	Invest	<p>Investment support for high-tech investors and investors in the semiconductor sector</p> <p>In line with Vietnam's orientation to attract high-tech and large-scale foreign investment, Vietnam is considering new investment support policies for companies in the high-tech industry through the Draft Decree on the establishment, management and use of the Investment Support Fund, which provides up to 50% direct cash support to cover some of the costs of investors, and the Draft Law on Digital Technology Industry, which provides a series of general incentive policies</p>	In addition to offering incentives, both the government and local authorities also need to continue efforts to develop infrastructure, support the energy transition, improve workers' skills, and simplify approval requirements to improve Vietnam's business ecosystem and attract investment in the high-tech and semiconductor sectors.	Investment & Trade Working Group

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		<p>to promote the digital technology industry in various fields. The Draft Law on Digital Technology Industry also mentions incentives for investment projects in the design, manufacturing, packaging and testing of semiconductors.</p> <p>This is a positive initiative that needs to be implemented in the near future. It is important that the initiatives are actually introduced and implemented, especially in the current competitive investment landscape in the region.</p>		
DEPARTMENT OF LABOR, WAR INVALIDS AND SOCIAL AFFAIRS				
32.	Work permit in Binh Duong province	<p>Binh Duong Department of Labor does not recognize the job form/category of Director, Executive Director, Expert and Technician (MEDET) as prescribed in Decree 152, Article 2, Point 1, i.</p> <p>In other provinces, this form is used by businesses in cases where an employee is assigned to work for a branch of the same company, which is not the parent company of the Vietnamese legal entity and therefore is not considered an internal transfer under Vietnamese law.</p>	Binh Duong Provincial Department of Labor should consider accepting the MEDET job list as defined in Decree 152, Article 2, Point 1, i.	Human Resources Group
33.	Long-term Visa Card (LTV) / Temporary Residence Card (TRC)	<p>The new online application process for LTV/TRC in Binh Duong now takes significantly longer to complete. It takes approximately 20 working days from online application to receiving results, compared to the previous 7 working days when submitting paper applications.</p> <p>With Ho Chi Minh City also starting to implement an online application process, businesses are concerned about the long processing time and related uncertainties.</p>	The online application process is expected to streamline and shorten processing times, not add to them.	VBF Human Resources Group

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DONG NAI PROVINCE				
34.	Invest Housing	<p>According to the provisions of Clause 2 and Clause 3, Article 38 of the Investment Law on procedures for granting investment certificates, it is stipulated that:</p> <p>"Article 38. Procedures for granting Investment Registration Certificate</p> <p>...</p> <p>b) There is a location for execution of the investment project;</p> <p>c) The investment project is comfortable with the planning specified in Point a, Clause 3, Article 33 of this Law;</p> <p>..."</p> <p>In addition, Clause 11, Article 6 of the 2014 Housing Law stipulates prohibited acts including:</p> <p>"Article 6. Prohibited acts</p> <p>....</p> <p>11. Using the apartments not for residential purposes; using the area for business purposes in the apartment building under approved project for trading flammable materials, explosives, providing services causing environmental pollution, noise or negative effects on the lives of households and individuals in the apartment building as prescribed in regulations of the Government.</p> <p>12. Using the separate houses for trading flammable materials, explosives, providing services causing environmental pollution, noise or other operations or negative effects on the lives of households and individuals in</p>	Coordinate with the Department of Planning and Investment, Department of Natural Resources and Environment, Department of Construction to answer this question.	Taiwanese Chamber of Commerce in Vietnam

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		<p>the apartment building as prescribed in regulations of law on requirements for business.”</p> <p>Thus, for cases where foreign investor does not have land use rights or do not lease land, but only lease individual house on urban residential land for conducting business activities that do not cause fire hazards or environmental pollution, etc., as a location for carrying out investment projects or establishing company offices, is this in compliance with legal regulations?</p> <p>Additionally, under current legal regulations, when foreign investor leases individual house for the purpose of establishing investment project locations or company offices, is it mandatory to be attached with land use rights?</p>		