

Doing Business in Vietnam



DEZAN SHIRA & ASSOCIATES





All rights reserved. No part of this book may be reproduced, stored in retrieval systems or transmitted in any forms or means, electronic, mechanical, photocopying or otherwise without prior written permission of the publisher. Although our editors, analysts, researchers and other contributors try to make the information as accurate as possible, we accept no responsibility for any financial loss or inconvenience sustained by anyone using this guidebook. Great care has been taken in the preparation of this booklet and the information presented is believed to be reliable, but full accuracy cannot be guaranteed.

The majority of statistics are taken from government publications, major news sources and publicly-available third party reports.

© 2012 Asia Briefing Ltd. Unit 1618, 16/F Miramar Tower 132 Nathan Road, Tsimshatsui Kowloon HONG KONG

ISBN: 978-988-15251-0-9

www.vietnam-briefing.com; www.asiabriefingmedia.com "Vietnam Briefing" and logo are registered trademarks of Asia Briefing Ltd. Asia Briefing Ltd is a Dezan Shira Group company. Dezan Shira & Associates: www.dezshira.com



About Asia Briefing's Business Guides

Thank you for buying this guide. Asia Briefing's publications are designed to fill a niche in the provision of information about business in Asia.

When we decided several years ago to commence this series, we did so with the knowledge that much information about Asia is scattered, contradictory, expensive or not readily available in English. This guide is designed to change that and pull together the practical information you need for doing business in Asia in an accessible and engaging form.

The content within has been researched and written in Asia by those familiar with the issues faced by foreign invested enterprises. For the technical portions of this guide, we have engaged the assistance of a respected professional services firm: Dezan Shira & Associates. Without this firm's assistance this guide would not have been possible, and we wholeheartedly recommend their services.

This guide's content was overseen by Alberto Vettoretti, Hoang Thu Huyen and Nguyen Huyen My of Dezan Shira & Associates. This guide was edited by Samantha L. Jones and Eunice Ku, designed by Chris Wei, and proofread by Gregor Hastings and Cindy Tse. Contributors to the guide include Hoang Thu Huyen, Valeria Giacomin, Thu Tran, Marco Vacca, Hoang Bich Lien, Khuc Viet Lan and Nguyen Huyen My.

At Asia Briefing, our motto is "the practical application of Asia business" and we hope that within this volume and our other publications you feel that we have achieved this.

Sincerely,

Asia Briefing

Contents









Preface	7
1. Introduction to Vietnam	8
Vietnam's Economy	9
Foreign Direct Investment in Vietnam	19
Vietnam in Context	

2. Conducting Business in Vietnam...43

Setting up a Business	44
Taxation	73
Banking and Finance	
Human Resources and Payroll	116

3. Vietnam's Regions......133

Northwest	
Northeast	143
Red River Delta	
North Central Coast	
South Central Coast	
Central Highlands	159
Southeast	
Mekong River Delta	



Doing Business in Vietnam

Modernization has transformed Vietnam in the last two decades. Since the 1986 **Doi Moi** reform plan aimed at modernizing the country and moving from a highly-centralized planned economy to a market-oriented socialist economy, foreign investment into Vietnam has skyrocketed.

And with good reason – Vietnam offers low manufacturing costs, a proactive government attitude toward foreign investment, encouraging economic data, abundant natural resources and an active approach to development challenges.

This book aims to assist foreign investors in understanding the business environment of the country, including reasons to invest and challenges for which to prepare. We will help you navigate the legal investment framework and understand the relevant regions for your investment purposes so that your company can take its first steps towards handsome returns.

With content available through few other English sources, *Doing Business in Vietnam* is an accessible and engaging compilation of the practical information you need for doing business in the region.

Published by Asia Briefing Ltd. All rights reserved. ©2012 Asia Briefing Ltd. Unit 1618, 16/F, Miramar Tower, 132 Nathan Road, Tsimshatsui Kowloon HONG KONG

www.vietnam-briefing.com; www.asiabriefingmedia.com "Vietnam Briefing" and logo are registered trademarks of Asia Briefing Ltd. Asia Briefing Ltd. is a Dezan Shira Group company; www.dezshira.com



