

## LAW ON INVESTMENT

National Assembly of the Socialist Republic of Vietnam as amended by Resolution 512001/ND passed by Legislature X of the National Assembly at its 10th Session on 25 December 2001;

This Law regulates investment activities.

### CHAPTER 1

#### General Provisions

**Article 1** *Governing scope*

This Law regulates investment activities for business purposes; the rights and obligations of investors; the guarantee of lawful rights and interests of investors; encouragement of investment and investment incentives; State administration of investment activities in Vietnam and offshore investment from Vietnam.

4. *Investor* means any organization or individual carrying out investment activities in accordance with the law of Vietnam, comprising:
  - (a) Enterprises from all economic sectors established pursuant to the *Law on Enterprises*;
  - (b) Co-operatives and co-operative groups established pursuant to the *Law on Co-operatives*;
  - (c) Enterprises with foreign owned capital established prior to the date of effectiveness of this Law;
  - (d) Business households, individuals;
  - (dd) Foreign organizations and individuals; Vietnamese residing overseas; foreigners permanently residing in Vietnam;
  - (e) Other organizations as permitted by the law of Vietnam.
5. *Foreign investor* means any foreign organization or individual using capital in order to carry out an investment activity in Vietnam.
6. *Enterprises with foreign owned capital* include any enterprise established by a foreign investor in order to conduct investment activities in Vietnam; or a Vietnamese enterprise in which a foreign investor purchases shares, [with which it] merges or which it acquires.
7. *Investment activity* means activity of an investor throughout the investment process comprising the stages of investment preparation, performance and management of the investment project.
8. *Investment project* means a collection of proposals for the expenditure of medium and long-term capital in order to carry out an investment activity in a specific geographical area and for a specified duration.
9. *Invested capital* means the money and other lawful assets used to carry out for the investment activity either in the form of direct investment or indirect investment.
10. *State capital* comprises capital for investment and development funded from the State Budget, capital funded by credit facilities guaranteed by the State, capital funded by credit facilities for investment and development of the State, and other investment capital of the State.
11. *Investor* means an organization or individual being a capital owner, a person representing an owner or a borrower which directly manages and uses capital in order to carry out an investment activity.
12. *Foreign investment* means a foreign investor brings into Vietnam its capital in lawful cash or other assets in order to carry out an investment activity.
13. *Domestic investment* means a domestic investor expends its capital in lawful cash or other assets in order to carry out an investment activity in Vietnam.



2. The State shall provide equal treatment before the law to all investors from all economic sectors, and as between domestic investment and foreign investment; and the State shall encourage and facilitate investment activities.
3. The State shall recognize and protect the ownership of assets, invested capital and revenue and other lawful rights and interests of investors; and shall recognize the long-term existence and development of investment activities.
4. The State undertakes to implement international treaties concerning investment of which the Socialist Republic of Vietnam is a member.
5. The State shall encourage and shall have a policy of incentives applicable to investment in investment incentive sectors and geographical areas.

**Article 5** *Application of investment laws, international treaties, foreign laws and international investment custom*

1. Investment activities of investors within the territory of Vietnam must comply with the provisions of this Law and other provisions of the relevant laws.
2. In the case of special investment activities which are regulated by other laws, the provisions of such other laws shall apply.
3. If an international treaty of which the Socialist Republic of Vietnam is a member contains provisions which are different from the provisions in this Law, the provisions of such international treaty shall prevail.
4. Applicable to foreign investment activities, where the law of Vietnam does not yet contain any provision, the parties may agree in the contract on application of foreign law and international investment custom, if application of such foreign law and international investment custom is not contrary to the fundamental principles of the law of Vietnam.

## CHAPTER 2

### Investment Guarantees

**Article 6** *Guarantees relating to capital and assets*

1. Lawful assets and invested capital of investors shall not be nationalized or confiscated by administrative measures.
2. In a case of real necessity for the purpose of national defence and security and in the national interest, if the State acquires compulsorily or requisitions an asset of an investor, such investor shall be compensated or paid damages at the market prices at the time of announcement of such compulsory acquisition or requisition.

Payment of compensation or damages must ensure the lawful interests of investors and be made on the basis of non-discrimination between investors.

3. Any compensation or damages payable to foreign investors as stipulated in clause 2 of this article shall be made in a freely convertible currency and shall be permitted to be remitted abroad.



- (d) Invested capital and proceeds from the liquidation of investments;
  - (dd) Other sums of money and assets lawfully owned by the investor.
2. A foreigner working in Vietnam for an investment project shall be permitted to remit abroad his or her lawful income after having discharged fully his or her financial obligations to the State of Vietnam.
  3. The remittance of the above sums of money shall be made in a freely convertible currency in accordance with the trading exchange rate published by a commercial bank selected by the investor.
  4. Procedures for remitting abroad the sums of money relating to an investment activity shall be subject to the laws on foreign exchange control.

**Article 10** *Application of uniform prices, fees and charges*

During the process of an investment activity, the investor shall be entitled to uniform application of price rates for goods and fees and charges for services which are controlled by the State.

**Article 11** *Investment guarantees in the event of changes in law or policies*

1. If a newly promulgated law or policy contains higher benefits and incentives than those to which the investor was previously entitled, then the investor shall be entitled to the benefits and incentives pursuant to the new law as from the date the new law or policy takes effect.
2. If a newly promulgated law or policy adversely affects the lawful benefits enjoyed by an investor prior to the date of effectiveness of such law or policy, the investor shall be guaranteed to enjoy incentives the same as the investment certificate or there shall be resolution by one, a number or all of the following methods:
  - (a) Continuation of enjoyment of benefits and incentives;
  - (b) There shall be a deduction of the loss from taxable income;
  - (c) There shall be a change of the operational objective of the project;
  - (d) Consideration shall be given to paying compensation in necessary circumstances.
3. Based on the provisions of the laws and commitments in international treaties of which the Socialist Republic of Vietnam is a member, the Government shall make specific provisions on guarantee for interests of investors in the case where a change in laws or policies affects adversely the interests of the investors.

**Article 12** *Dispute resolution*

1. Any dispute relating to investment activities in Vietnam shall be resolved through

3. Any dispute to which one disputing party is a foreign investor or an enterprise with foreign owned capital, or any dispute as between fo

Socialist Republic of Vietnam is a member in which case such international treaty shall apply.

**Article 15** *Right to import and export, to conduct marketing and advertise, to process and re-process goods relevant to investment activities*

[An investor shall have the following rights:]

1. To import directly or to import by way of authorized dealers equipment, machinery, raw materials, supplies and goods for investment activities; and to export directly or to export by way of authorized dealers and to sell its products.
2. To advertise and market its products and services and to enter into advertising contracts directly with organizations which are authorized to publish advertisements.
3. To undertake activities being processing or reprocessing of products; to place orders for processing or reprocessing of goods domestically, or to place orders for processing of goods overseas in accordance with the commercial law.

**Article 16** *Right to purchase foreign currencies*

1. An investor shall be permitted to purchase foreign currencies from credit institutions authorized to conduct foreign currency business in order to meet the demand of its current transactions, capital transactions and other transactions in accordance with the provisions of the law on foreign exchange control.
2. The Government shall guarantee or assist the foreign currency balance of a number of important projects in the sectors of energy, construction of traffic infrastructure facilities and waste treatment.

**Article 17** *Right to assign or adjust capital or investment project*

1. An investor shall have the right to assign or adjust capital or an investment project. Where profits arise from an assignment, the assignor must pay income tax in accordance with law.
2. The Government shall provide conditions for assignment or adjustment of capital or investment projects in cases where such conditions are required..

**Article 18** *Mortgage of land use rights and of assets attached to land*

An investor or an enterprise having an investment project shall be permitted to mortgage land use rights and assets attached to land with credit institutions authorized to operate in Vietnam in order to borrow capital for implementation of the project in accordance with law.

**Article 19** *Other rights of investors*

[An investor shall have the following rights:]

1. To receive investment incentives pursuant to provisions of this Law and other provisions of the relevant laws.
2. To have access to and use public services on the principle of non-discrimination.



3. To have access to legal instruments and policies relating to investment; to data on the national economy, to data about each economic sector and to other relevant information about investment activities; and to contribute its opinions on laws and policies relating to investment.
4. To lodge complaints, to make denunciations or to institute legal proceedings relating to breaches of the law by organizations and individuals in accordance with law.
5. To exercise other rights in accordance with law.

**Article 20** *Obligations of investors*

[An investor shall have the following obligations:]

1. To comply with the provisions of the laws on investment procedures; to carry out investment activities correctly in accordance with the registered investment contents [and/or] the provisions of the investment certificate.

The investor shall be responsible for the accuracy and truthfulness of the contents of investment registration and of the investment



rights and obligations of the parties implementing an investment project in the contractual form of BOT, BTO and BT.

**Article 24** *Investment in business development*

An investor shall be permitted to Invest in business development via the following forms:

1. Expanding scale, increasing output capacity and business capability.
2. Renovating technology, improving product quality and reducing environmental pollution.

**Article 25** *Capital contribution, purchase of shareholding, merger and acquisition*

1. Investors shall be permitted to contribute capital to and to purchase shareholding in companies and branches operating in Vietnam.

The ratio of capital contribution and purchase of shareholding by foreign investors in a number of sectors, industries and trades shall be regulated by the Government.

2. Investors shall be permitted to merge and to acquire companies and branches.

The conditions for merger and acquisition of companies and branches shall be regulated by this Law, the law on competition and other provisions of the relevant laws.

**Article 26** *Indirect investment*

1. An investor shall be permitted to carry out the following forms of indirect investment in Vietnam:
  - (a) Purchase of shareholding, shares, bonds and other valuable papers;
  - (b) By way of securities investment funds;
  - (c) By way of other intermediary financial institutions.
2. Any investment by way of purchase or sale of shares, share certificates, bonds and other valuable papers of individuals and organizations and procedures for conducting indirect investment activities shall be implemented in accordance with the law on securities and other provisions of the relevant laws.

## CHAPTER 5

### **Investment Sectors and Geographical Areas, Investment Incentives and Support**

#### SECTION 1

##### **Investment Sectors and Geographical Areas**

**Article 27** *Incentive investment sectors [shall comprise]*

1. Manufacture of new materials and production of new energy; manufacture of high-tech products; bio-technologies; information technology; mechanical manufacturing.

2. Breeding, rearing, growing and processing agricultural, forestry and aquaculture products; production of salt; creation of new plant and animal variety.
3. Use of high technology and advanced techniques; protection of the ecological

sectors in accordance with the schedule for implementation of international undertakings in international treaties of which the Socialist Republic of Vietnam is a member.

3. Where an enterprise with foreign owned capital invested in a sector in which investment was unconditional but during the course of the investment activity the list of sectors in which investment is conditional was amended with the result that the relevant sector was included, the investor shall be permitted to continue its investment activity in that sector.
4. The same investment conditions which are applicable to domestic investors shall be



investing in areas with specially difficult socio-economic conditions which require a longer term, the term of allocation or lease of land shall not exceed seventy (70) years.

If at the expiry of a term of land use an investor with [a record of] good compliance with the law on land has a requirement for continued land use, the competent State body shall consider an application for extension of the term of land use in conformity with the approved land use zoning.

2. Investors which invest in investment incentive sectors and geographical areas shall be entitled to an exemption from payment of or a reduction of land rent and land use fees in accordance with the law on land and the law on tax.

**Article 37** *Incentives applicable to investors who invest in industrial zones, export processing zones, high-tech zones, and economic zones*

Based on the conditions for socio-economic development in each period and the principles stipulated in this Law, the Government shall provide for incentives applicable to investors investing in industrial zones, export processing zones, high-tech zones and economic zones.

**Article 38** *Procedures for implementation of investment incentives*

1. With respect to domestic investment projects in the category for which investment is not registered and projects in the category for which investment is registered as stipulated in article 45 of this Law, investors shall, on the basis of the incentives and conditions for investment incentives stipulated by law, assess themselves incentives and shall conduct procedures at the competent State body for investment incentives.

If an investor requests the certification of investment incentives, it shall conduct the procedures for investment registration in order for the State administrative body for investment to record investment incentives in the investment certificate.

SECTION 3

**Investment Support**

**Article 40** *Support for technology transfer*



**Article 43** *Investment in infrastructure systems for industrial zones, export processing zones, high-tech zones and economic zones*

1. Based on the master plan for the development of industrial zones, export processing zones, high-tech zones and economic zones as approved by the Government, ministries, ministerial equivalent bodies and provincial people's committees shall formulate investment master plans for and arrange construction of technical and social infrastructure systems outside the fence of industrial zones, export processing zones, high-tech zones and economic zones which are under their management.
2. With respect to a number of localities containing areas with difficult socio-economic conditions and areas with specially difficult socio-economic conditions, the State shall provide partial assistance to localities in order to invest jointly with investors in the development of infrastructure facilities inside the fence of industrial zones and export processing zones in accordance with regulations of the Government.
3. The State shall provide investment capital from the State Budget and preferential credit funds in order to assist investment in the development of technical and social

3. Items of investment registration shall comprise the following:
  - (a) Legal status of the investor;
  - (b) Objectives, sale and location for implementation of the investment project;
  - (c) Invested capital, project implementation schedule;
  - (d) Land use requirements and undertakings on environmental protection;
  - (dd) Proposal for investment incentives (if any);
4. The investor shall carry out the investment registration prior to implementation of its investment project.

**Article 46** *Procedures for registration of investment in respect of foreign invested projects*

1. With respect of foreign invested projects which have an invested capital of below three hundred (300) billion Vietnamese dong and which are not included in the list of sectors of investment subject to conditions, the investors shall perform the procedures for investment registration at a provincial State administrative body for investment for issuance of an investment certificate.
2. The file for investment registration shall comprise:
  - (a) Document on the items stipulated in article 45.3 of this Law;
  - (b) Report on financial ability of the investor;
  - (c) Joint venture contract or business co-operation contract and charter of the enterprise (if any).
3. The provincial State administrative body for investment shall issue an investment certificate within a time-limit of fifteen (15) days from the date of receipt of the complete and valid file for investment registration.

**Article 47** *Evaluation of investment projects*

1. With respect to domestic investment projects or foreign invested projects which have an invested capital of three hundred (300) billion Vietnamese dong or more and projects on the list of sectors of investment subject to conditions, the procedures for evaluation must be performed for issuance of an investment certificate.
2. The time-limit for evaluation of investment shall not exceed thirty (30) days from the date of receipt of a complete and valid file. In necessary cases, the above time-limit may be extended, but not beyond forty five (45) days.
3. With respect to important national projects, the National Assembly shall decide on the policy for and shall provide regulations on the criteria for these projects, and the Government shall provide regulations on the order and procedures for evaluation and for issuance of investment certificates.

4. The Government shall provide regulations on the State body which has authority to evaluate investments and issue investment certificates.

**Article 48** *Procedures for evaluation with respect to projects which have an invested capital of below three hundred (300) billion Vietnamese dong and which are not included in the list of sectors of investment subject to conditions*

1. The project file shall include:
  - (a) Written request for issuance of an investment certificate;
  - (b) Document certifying the legal status of the investor;
  - (c) Report on financial ability of the investor;
  - (d) Eco-technical explanatory statement containing the items in relation to objectives and location of the investment, land use requirement; investment scale; ; invested capital; project implementation schedule, technological or environmental solutions;
  - (dd) With respect to foreign investors, [*in addition to the above documents*] the file shall include joint venture contract or business co-operation contract, charter of the enterprise (if any);
2. Items to be evaluated shall comprise:
  - (a) compliance with master planning/zoning for technical infrastructure, master planning/zoning for land use, master planning for construction, master planning for utilization of minerals and other natural resources;
  - (b) land use requirements;
  - (c) project implementation schedule;
  - (d) Environmental solutions.

**Article 49** *Procedures for evaluation in respect of projects on the list of sectors of investment subject to conditions*

1. Procedures for evaluation with respect to projects with an invested capital of below three hundred (300) billion Vietnamese dong and on the list of sectors of investment subject to conditions shall be stipulated as follows:
  - (a) The project file shall comprise the explanatory statement of conditions which the investment project must satisfy; the items of investment registration stipulated in article 45.3 of this Law in the case of domestic projects or article 46.2 of this Law in the case of projects with foreign owned capital;
  - (b) Items to be evaluated shall include the conditions which the investment project must satisfy.
2. Procedures for evaluation with respect to projects with an invested capital of three hundred (300) billion Vietnamese dong or more and on the list of sectors of investment subject to conditions shall be stipulated as follows:

(a) The project file shall comprise the ex

**Article 52** *Operational duration of foreign invested projects*

The operational duration of a foreign invested project shall be commensurate with the requirements for operation of the project and shall not exceed fifty (50) years. Where necessary, the Government shall decide on a longer duration for each project, but the maximum duration shall not exceed seventy (70) years.

The operational duration of a project shall be recorded in the investment certificate.

**Article 53** *Responsibilities for project formulation, making investment decisions and evaluating investments*

1. Investors shall make their own decisions on investment projects; and they shall be responsible for the accuracy and truthfulness of the contents of their registered investment, for their investment project application files and for implementing their investment undertakings as registered.
2. Organizations and individuals authorized to formulate projects, make investment decisions, to evaluate and/or to certify investments shall be liable before the law for their proposals and for their decisions.

**Article 54** *Selection of investor for project where a number of investors show interest*

Where two or more investors show interest in an important project identified in master planning for an industry [or branch], selection of the investor to implement the project must be conducted by way of tendering in accordance with the laws on tendering.

## SECTION 2

### **Commencement of Implementation of Investment Projects**

**Article 55** *Land lease, hand-over and receipt of land for implementation of investment projects*

1. For investment projects requiring land, the investor shall contact the relevant land management body in the location where the project is to be implemented in order to carry out procedures for allocation or lease of land.

The order and procedures for allocation or lease of land shall be implemented in accordance with the law on land.

2. Where land has already been handed over to an investor which fails to proceed with implementation of the project within the stipulated time-limit or which uses the land for an incorrect purpose, the land shall be recovered in accordance with the *Law on Land* and the investment certificate of the investor shall be withdrawn.

**Article 56** *Preparation of construction sites*

1. Where land is recovered by the State in accordance with the law on land, the State shall be responsible to recover the land, to pay compensation and to clear the site prior to allocation or lease of the land to the investor.



**Article 61** *Foreign currency accounts and Vietnamese dong accounts*

1. Investors shall be permitted to open foreign currency accounts and Vietnamese dong accounts with banks authorized to operate in Vietnam. Investors may also open accounts with overseas banks with approval from the State Bank of Vietnam.
2. The opening, use and closing of bank accounts with domestic and overseas banks shall be implemented in accordance with regulations of the State Bank of Vietnam.

**Article 62** *Insurance*

Investors shall take out property insurance and other types of insurance on the basis of insurance contracts entered into with insurance enterprises engaged in insurance business activities in Vietnam in accordance with the law on insurance.

**Article 63** *Hire of management organizations*

1. An investor shall be permitted to hire a management organization(s) to manage its investments and the business operation of its investment projects in those sectors in which in-depth management skills are required.
2. An investor shall be liable before the law of Vietnam for all of the operations of its management organization with respect to the management activities stipulated in the management contract.
3. The management organization shall be liable to the investor for management of its investments and the business operation of its investment projects, and must comply with the law of Vietnam during the exercise of rights and obligations in accordance with the provisions of the management contract and shall be liable directly before the law of Vietnam for any activities beyond the scope of the management contract.

**Article 64** *Temporary postponement of projects; revocation of investment certificates*

1. If an investor postpones temporarily an investment project, the investor must report to the State administrative body for investment for verification of any grounds for a consideration of exemption or reduction of land rent during the period for which the project is temporarily postponed.
2. With respect to investment projects which have been issued with an investment certificate, if after twelve (12) months the investor has failed to proceed with implementation of the project in accordance with the schedule undertaken without a legitimate reason, the issued investment certificate shall be revoked.

**Article 65** *Termination of operation of investment projects*

The operation of an investment project shall be terminated in any one of the following cases:

1. Upon expiry of the duration of operation as stipulated in the investment certificate.
2. In accordance with the conditions which will result in termination as stipulated in the contract, charter of the enterprise or agreement or undertakings of investors about the project implementation schedule.
3. Where the investor decides to terminate the operation of the project.

4. The operation is terminated pursuant to the decision of the State administrative body for investment or a judgement or decision of the court or arbitration due to a breach of law.

**Article 66** *State guarantee for a number of works and important projects*

Based on the principles stipulated in this Law, the Government shall decide on important projects and provision of guarantees for loans, supply of raw materials, sale of products, payment and guarantee for performance of other contractual obligations to projects; and shall also make a decision on the competent State body to represent the Government in acting as guarantor.

## CHAPTER 7

### **Business Investments Funded by State Capital**

**Article 67** *Requirements of management of investment - business funded by the State*

1. Investment or business using State owned capital must be consistent with the strategy, master plan and specific plans for socio-economic development in each period.
2. Investments or business using State owned capital must be for the correct objective and must be effective, and the method of management of the investment must be appropriate for each funding source or each type of investment projects; the investment process must be conducted transparently and publicly.
3. The use of State owned capital for investment or joint venture or business co-operation with [entities] belonging to other economic sectors in accordance with law must be evaluated and approved by the body authorized to make the investment decision.
4. There must be a clear classification of the responsibilities and rights of bodies, organizations and individuals participating in the investment process; in the assignment or delegation of the powers to undertake State management of investment or business activities using State owned capital.
5. Investments using State owned capital must be lawful, must comply with the relevant schedule, must be quality investments, must be concentrated and must not involve waste, loss or secrecy.

**Article 68** *Investment or business using State owned capital in economic organizations*

1. Capital from the State Budget shall be invested in economic organizations by way of the State Capital Investment Corporation.
2. The State Capital Investment Corporation shall operate pursuant to the law on State owned enterprises and other provisions of the relevant laws and shall exercise the rights of the representative of the owner of State owned capital in one member limited liability companies, in limited liability companies with two or more members, and in shareholding companies converted from independent State companies or in newly established State companies.



3. The Government shall provide regulations on the organization and operations of the State Capital Investment Corporation.

**Article 69** *Investment by the State in public utility enterprises*

1. The State shall invest in the manufacture and supply of public utility goods and services by way of assigning plans, placing orders or conducting tendering.
2. Organizations and individuals from all economic sectors shall be entitled to equal participation in the manufacture and supply of public utility products and services, except in special cases pursuant to regulations of the Government.

The Government shall promulgate a policy on assistance for public utility activities and a list of public utilities and products .

**Article 70** *Investment using investment and development credit facilities of the State*

1. Entities entitled to use investment and development credit facilities of the State shall be investment projects in a number of important industries and sectors and major economic activity

3. Investment projects shall be deferred, suspended or rescinded in the following circumstances:
  - (a) The investor fails to commence implementation of the project within twelve (12) months from the date of the investment decision without written approval from the authorized body;
  - (b) There is a change in the objective of the project without written approval from the authorized body.
4. When an authorized body issues a decision on deferring, suspending or rescinding an investment project, such person shall specify the reasons therefore and shall be liable before the law for his or her decision.

**Article 73** *Selection of contractors to implement projects*

Tendering must be conducted for selection of the contractor to provide consultancy services, for procurement of goods, and for construction and installation in the case of investment projects funded by State owned capital in accordance with the law on tendering.

## CHAPTER 8

### Offshore Investment

**Article 74** *Offshore investment*

1. Investors shall be permitted to make offshore investments in accordance with the law of Vietnam and the law of the investment recipient country.
2. The State shall facilitate offshore investments and shall protect the interests of Vietnamese investors overseas in accordance with the provisions of international treaties of which the Socialist Republic of Vietnam is a member.
3. The State shall guarantee and create favourable conditions for investors to access sources of credit capital on the basis of equality and non-discrimination between economic sectors; and shall have a policy of guaranteed credit facilities for offshore investments in sectors in which investment is specially encouraged.

**Article 75** *Sectors in which offshore investment is encouraged and sectors in which offshore investment is prohibited*

1. The State shall encourage economic organizations in Vietnam to conduct offshore investment in labour export; in sectors which stimulate effectively the traditional industries and crafts of Vietnam; in market expansion; in exploitation of natural resources within the investment zones; and shall encourage the increase of export potential and the bringing in of foreign currency.
2. The State of Vietnam shall not issue licences for offshore investment of projects detrimental to national secrets, national security and defence, or which are detrimental to historical and cultural traditions and Vietnamese fine customs.

**Article 76** *Conditions for offshore investment*

1. In order to be permitted to make an offshore investment in the form of a direct investment, an investor must satisfy all of the following conditions:
  - (a) Have an offshore investment project;
  - (b) Have discharged all financial obligations to the State of Vietnam;
  - (c) Have an investment certificate as issued by the State administrative body for investment.
2. Offshore investments in the form of an indirect investment must comply with the laws on banking and securities and with other provisions of the relevant laws.
3. The use of State owned capital to make offshore investments must comply with the law on management and use of State owned capital.

**Article 77** *Rights of offshore investors*

[An offshore investor shall have the following rights: ]

1. To remit overseas investment capital in lawful cash or other assets in order to implement an investment in accordance with the law on foreign exchange control after the competent body of the offshore country or territory has approved the investment project.
2. To be entitled to investment incentives in accordance with law.
3. To recruit Vietnamese employees in order to send them overseas to work in the business and production establishments which the investor establishes overseas.

**Article 78** *Obligations of offshore investors*

[An offshore investor shall have the following obligations: ]

1. To comply with the law of the investment recipient country.
2. To repatriate profit and other income from offshore investment activities in accordance with law.
3. To comply with the financial reporting and operational reporting regime of the investment recipient country.
4. To discharge fully financial obligations to the State of Vietnam.
5. At the conclusion of the offshore investment, to remit the entire lawful investment capital and assets back to Vietnam in accordance with law.
6. Where an investor is unable to remit capital, profit and income from offshore investment activities back to Vietnam as stipulated in clauses 2 and 5 of this article, the consent of the competent State body shall be required.

**Article 79** *Procedures for offshore investment*

1. Offshore investment projects shall comprise:
  - (a) Projects for which investment is registered which are projects with an invested capital of below fifteen (15) billion Vietnamese dong;
  - (b) Projects which are evaluated for investment which are projects with an invested capital from fifteen (15) billion Vietnamese dong or more.
2. Procedures for investment registration and evaluation shall be stipulated as follows:
  - (a) Investors of projects for which investment is registered shall register their investment on the sample form at the provincial State administrative body for investment in order to be issued with an investment certificate;
  - (b) Investors of projects for which investment is evaluated shall lodge their investment file in the sample form at the provincial State administrative body for investment in order to be evaluated for issuance of an investment certificate.
3. The Government shall issue regulations on specific offshore investment sectors which are encouraged, in which investment is prohibited and in which investment is restricted; on conditions for offshore investment, on applicable incentives; on order and procedures and on authority for administration of offshore investment activities.

## CHAPTER 9

### **State Administration of Investment**

**Article 80** *Contents of State administration of investment*

The contents of State administration of investment shall comprise:

1. Formulation of strategies, master plans, specific plans and policies for development of investment

**Article 81** *Responsibilities for State administration of investment*

1. The Government shall exercise uniform State administration of investment throughout the whole country.
2. The Ministry of Planning and Investment shall be responsible before the Government for State administration of investment activities.
3. Ministries, ministerial equivalent bodies and Government bodies shall, within the scope of their respective duties and powers, be responsible for undertaking State administration of investment within the respective sectors delegated to them.
4. People's committees at all levels shall be responsible to exercise State administration of investment within their respective localities in accordance with the authority delegated to them by the Government.

**Article 82** *Administration of investment in accordance with master plans*

1. The Government shall issue regulations on formulation and submission for approval of master plans in accordance with the law on master plans.
2. Investment projects must comply with master plans: master plans for the technical infrastructure, land use zoning, construction master plans, and master plans for use of minerals and other natural resources.

Regional and industry master plans and master plans for products must conform to sectors in which investment incentives are granted, geographical areas in which investment incentives are granted, sectors in which investment is conditional and sectors in which investment is prohibited as stipulated in articles 27, 28, 29 and 30 of this Law and shall be guidelines for investors to select and make decisions on investment.

3. State administrative bodies for master planning shall be responsible to proclaim publicly on the mass media master plans relating to investment activities.
4. With respect to projects for which there is as yet no master plan as stipulated in this article, the State administrative body for investment shall be responsible to act as co-ordinator with the State [administrative] bodies responsible for master planning for the purpose of responding to investors within a time-limit of thirty (30) days from the date of a request from an investor.

**Article 83** *Investment promotion*

1. Investment promotion activities by State bodies at all levels shall be conducted in accordance with regulations of the Government.
2. Funds for investment promotion activities by State bodies shall be granted from the State Budget.

**Article 84** *Monitoring and assessment of investment activities*

1. State administrative bodies for investment at all levels shall monitor, assess and report on investment activities in accordance with law.
2. The contents of monitoring and assessment of investment shall comprise:

- (a) [Monitoring and assessment of the] promulgation of documents providing guidelines on laws pursuant to authority and implementation of regulations on investment;
- (b) [Monitoring and assessment of the] status of implementation of investment projects in accordance with the provisions in investment certificates;
- (c) [Assessment of the] results of investment by ministries, branches and localities; and of investment projects in accordance with delegated authority;

**Article 87** *Dealing with breaches*

1. Any person committing a breach of the law on investment or other provisions of the laws relating to investment activities shall, depending on the nature and seriousness of the breach, be subject to a disciplinary or administrative penalty or be subject to criminal prosecution; if the breach of the law causes loss and damage, the offender shall be liable to pay damages for such loss in accordance with law.
2. Any person who abuses his or her position or powers to obstruct investment activities, who harasses investors, who fails to resolve promptly requests of investors, or who fails