

LEGAL UPDATES

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1. Decree No. 38/2022/ND-CP on minimum wage for employees working under labor contracts, which takes effect as of July 01st, 2022

On June 12th, 2022, the Government issued the Decree No. 38/2022/ND-CP on minimum wage for employees working under labor contracts ("**Decree 38/2022/ND-CP**"). This Decree takes effect as of July 01st, 2022.

This Decree replaces the Decree No. 90/2019/ND-CP on regional minimum wage of employees working under labor contracts ("Decree 90/2019/ND-CP").

Increasing the monthly minimum wage

Previously, Decree 90/2019/ND-CP also stipulates the monthly minimum wage of employees. However, from July 01st, 2022, pursuant to Decree 38/2022/ND-CP, the monthly minimum wage is increased. Specifically:

Regions	Monthly minimum wage under Decree 90/2019/ND-CP	Monthly minimum wages under Decree 38/2022/ND-CP
Region I	VND4,420,000	VND4,680,000
Region II	VND3,920,000	VND4,160,000
Region III	VND3,430,000	VND3,640,000
Region IV	VND3,070,000	VND3,250,000

New regulation on hourly minimum wage

In addition to the monthly minimum wage, Decree 38/2022/ND-CP also stipulates the hourly minimum wage. This is a new content in Decree 38/2022/ND-CP, aiming to protect the interests of employees paid on an hourly basis.

Accordingly, the hourly minimum wage is the lowest rate as a basis to deal with pay salary for employees (who are applied the form of hourly payment). The job- or position-based salary paid for every working hour to an employee who has fulfilled











his/her labor productivity norms or tasks as agreed shall not be lower than the statutory minimum wages per hour.

The hourly minimum wage under Decree 38/2022/ND-CP is as follows:

Region	Hourly minimum wage
Region I	VND22,500 per hour
Region II	VND20,000 per hour
Region III	VND17,500 per hour
Region IV	VND15,600 per hour

Moreover, Decree 38/2022/ND-CP also stipulates the weekly or daily or piece-rate or fixed salary, when converted into monthly or hourly salary, shall not be lower than the monthly or hourly minimum wage. The employers shall decide at their own discretion whether to convert such salaries to monthly or hourly rates with guidance on conversion methods provided in Decree 38/2022/ND-CP.

Changing some areas applied the regional minimum wage

Regions I – IV, in which specific minimum wages are applied, are defined based on administrative units in the enclosed annex of Decree 38/2022/ND-CP. Compared to the Decree 90/2019/ND-CP, some areas have been changed as follows:

- (i) from Region II to Region I: Ha Long City of Quang Ninh Province and Xuan Loc District of Dong Nai Province;
- (ii) from Region III to Region II: Quang Yen and Dong Trieu Town of Quang Ninh Province, Hoa Binh City and Luong Son District of Hoa Binh Province, Vinh City, Cua Lo Town, Nghi Loc and Hung Nguyen District of Nghe An Province, Hoa Thanh Town of Tay Ninh Province, Vinh Long City and Binh Minh Town of Vinh Long Province, and Bac Lieu City of Bac Lieu Province; and
- (iii) from Region IV to Region III: Van Don, Hai Hai, Dam Ha and Tien Yen District of Quang Ninh Province, Quynh Luu, Yen Thanh, Dien Chau, Do Luong, Nam











Dan and Nghia Dan District, Thai Hoa and Hoang Mai Town of Nghe An Province, Mang Thit District of Vinh Long Province, and Hoa Binh District of Bac Lieu Province.

Responsibility for employers

The employers are required to review current agreements in labour contracts, collective labour agreements and policies for the purpose of compliance with Decree 38/2022/ND-CP. Additionally, the employers must not cut or reduce any overtime salary, nightshift salary, payment in kind and other benefits of the employees in accordance with labour regulations.

Decree 38/2022/ND-CP also clarifies that the agreed contents in executed labour contracts, collective labour agreements and other lawful agreements, which are more favourable to the employees than those provided in Decree 38/2022/ND-CP shall remain valid unless otherwise agreed between the employers and employees.

2. Decree No. 20/2022/ND-CP amending and supplementing a number articles of Decree No. 119/2015/ND-CP on compulsory insurance in construction investment activities, which takes effect as of July 01st, 2022

On March 10th, 2022, the Government issued Decree No. 20/2022/ND-CP amending and supplementing a number articles of Decree No. 119/2015/ND-CP ("**Decree 119/2015/ND-CP**", "**Decree No. 20/2022/ND-CP**") on compulsory insurance in construction investment activities. Decree 20/2022/ND-CP takes effect as of July 01st, 2022.

Construction contractors must purchase compulsory civil liability insurance for third parties

From July 01st, 2022, according to Decree 20/2022/ND-CP, in addition to the compulsory insurance for employees who works in the construction site as before, the construction contractors must also buy compulsory civil liability insurance for third parties.

The compulsory civil liability insurance for third parties is a product to ensure buyer's liability for third parties arising from negligence causing damage to people and property. Some unintentional errors such as driving a vehicle to cause an accident,









construction work affecting third-party properties, negligence in construction design affecting the work.

According to Decree 119/2015/ND-CP, third parties include all surrounding people or properties, properties and people walking around the construction area who are suffered damage to body, life, property related to the construction design, construction survey.

The term of compulsory civil liability insurance for third parties is a specific period, from the start date to the end date of the construction period based on the construction contract and stated in the insurance contract.

At that time, the insurance enterprise shall be responsible for compensating the construction contractor for the amount of money which, according to the law, the construction contractor is responsible for compensating the third party for the damage outside the contract to health, life and property directly incurred during the construction process and related legal costs (if any) within the scope of insurance liability as agreed in the insurance contract.

Minimum amount of purchase compulsory civil liability insurance for third parties According to Decree 20/2022/ND-CP:

- (i) the minimum insurance amount for damage to health and life is VND 100 million for one person in one case and there is no limit to the number of loss cases; and
- (ii) the minimum insurance amount for property damage and related legal costs (if any) is determined as follows:
 - for works valued at under VND 1,000 billion, the minimum insurance amount for property damage and related legal costs (if any) is 10% of the work value for the entire warranty period and there is no limit on the number of losses; and
 - for works valued at VND 1,000 billion or more, the minimum insurance amount for property damage and related legal costs (if any) is VND 100 billion for the entire insurance period and unlimited number of losses.











3. Decree No. 35/2022/ND-CP on management of industrial parks and economic zones, takes effect as of July 15th, 2022

On May 28th, 2022, the Government issued Decree No. 35/2022/ND-CP on management of industrial parks and economic zones ("Decree 35/2022/ND-CP"). This decree replaces the Decree No. 82/2018/ND-CP on management of industrial parks and economic zones ("Decree 82/2018/ND-CP"). Decree 35/2022/ND-CP takes effect as of July 15th, 2022.

Revoking the regulation on planning for development of industrial parks and economic zone

Previously, Decree 82/2018/ND-CP regulated on formulation, adjustment, supplementation and approval of planning for development of industrial parks and economic zones.

However, from July 15th, 2022, Decree 35/2022/ND-CP revokes the above regulation and replaces by another regulation on construction directions and development plans for the system of industrial parks and economic zones.

Besides, Decree 35/2022/ND-CP also clarifies the definition and content of the construction directions and development plans for the system of industrial parks and economic zones as follows:

- (i) a construction direction of an industrial park or economic zone prescribed in point d of clause 2 of Article 26 in the Law on Planning constitutes a part of the regional planning scheme. It determines the objectives, orientations, solutions and implement organization for development of industrial parks or economic zones at the regional level; and
- (ii) a plan for development of an industrial park system under point d of clause 2 of Article 27 in the Law on Planning constitutes part of the provincial planning scheme. It determines the objectives, orientations, solutions, implement organization and list of industrial parks in a province or centrally-affiliated city.













Decree 35/2022/ND-CP also regulates some specific contents of the plan for development of an industrial park system as well as the conditions, principles for determining the expected number, size and location of industrial park, economic zone.

The formulation, appraisal, approval and adjustment of directions for construction of industrial parks and economic zones in regional planning shall comply with the provisions of law on planning.

Supplementing cases in which the formulation of planning scheme for construction of an industrial park is not required

According to Decree 35/2022/ND-CP, the planning scheme for construction of an industrial park includes:

- (i) the master plan for construction of industrial park;
- (ii) the zoning scheme for construction of the industrial park; and
- (iii) the detailed planning scheme for construction of the industrial park (if required).

Besides, Decree 35/2022/ND-CP also supplements the regulation on cases in which the formulation of planning scheme for construction of an industrial park is not required. Specifically:

- (i) any industrial park has its zoning scheme in use at the area with the master construction plan or the master plan for construction of the economic zone that has already been approved;
- (ii) any industrial park has its detailed construction plan in use at the area with the approved zoning scheme; and
- (iii) if the industrial park, industrial urban service area is identified in the master urban plan or the master planning scheme for construction of the economic zone that has already been approved, only the formulation of planning scheme of zoning of the industrial park is required.

Authority to adjust the planning for construction of industrial parks, boundary of economic zones









According to Decree 35/2022/ND-CP, the provincial People's Committee is the competent authority to adjust the location, size of land included in the planning schemes for construction of the industrial park without any change of its district in the following cases:

- (i) an industrial park to be developed can be adjusted in terms of location and size of land of the project on construction of the industrial park provided that the dimensional scale of that project is not differed by no more than 2% and 6 ha from that of the industrial park already on the list of industrial parks in a province or centrally-affiliated city; and
- (ii) the change of location and size of the project on development of the industrial park that does not fall into the case specified in the above point shall be accepted provided that the dimensional scale of that project is not differed by no more than 10% and 30 ha from that of the industrial park already on the list of industrial parks in a province or centrally-affiliated city after receipt of the written consent from the Ministry of Construction; the Ministry of Natural Resources and Environment; and/or the Ministry of Planning and Investment.

Moreover, under Decree 35/2022/ND-CP, the Prime Minister is the competent authority to resize of boundaries of an economic zone. Resizing the boundaries of an economic zones was conducted if it meets one of the following cases:

- (i) the resizing occurs due to any change in the national, regional, provincial or other relevant planning schemes that has effects on the developmental orientation of the economic zone;
- (ii) the resizing is required if the dimensional size of the economic is decreased in comparison to that of the preexisting economic zone; or
- (iii) the resizing is needed if the dimensional size of the economic zone is increased in comparison to that of the preexisting one by no more than 10% in order to reserve more space for the immense development and pervasive influence of prioritized sectors and industries of the economic zone.

Temporary residing, staying in industrial parks









Previously, Decree 82/2018/ND-CP regulates that the citizens are not allowed to live in industrial parks, export processing zone. If necessary, the foreign managers, managing directors, specialists are allowed to reside temporarily, stay at the business in industrial park, export processing zone pursuant to the provisions of provincial People's Committee. The foreigner's temporary residing shall meet the conditions of this Decree.

Currently, according to Decree 35/2022/ND-CP, from July 15th, 2022, specialists, employees are allowed to reside temporarily, stay at the accommodation establishments in industrial park to serve the production, business activities of the business and it will be conducted as follows:

- (i) Vietnamese professionals and employees may be granted permission for their temporary residing and unregistered short stay according to law on residence; and
- (ii) foreign professionals and employees may be granted permission for their temporary residing under law on entry, exit, transit and residence of foreign nationals in Vietnam.

The accommodation establishments must be built on the area of land intended for services of industrial parks; must ensure conformance to environmentally safe distance requirements set out in law on construction and other relevant regulatory provisions; must ensure conformance to social security and peace requirements and none of adverse impacts on production and business activities of enterprises inside the perimeter of industrial parks.

In case of force majeure events taking place due to direct impacts caused by natural disaster, environmental calamity, fire, disease, war, strike, riot or other emergencies, professionals and workers or employees may register their short stay or stay at enterprises inside the perimeter of industrial parks according to the following regulations:

(i) Vietnamese professionals and employees may be permitted for unregistered short stay at enterprises inside the perimeter of industrial parks as per law on residence; and











(ii) foreign professionals and employees may be granted permission to stay at enterprises inside the perimeter of industrial parks during the period of less than 30 days and must register their short stay under law on entry, exit, transit and residence of foreign nationals in Vietnam.

Supplementing some new industrial parks and economic zones forms

Decree 35/2022/ND-CP supplements a provision, aiming to promote the development of new industrial parks and economic zones forms, including:

- (i) adding the form of specialized industrial park. This is a form of industrial park specializing in the production and provision services for the production to a certain industry and profession such as: textiles, footwear, electronics, automobiles, ...etc Addition of this industrial park form aims to form production links and promote production and business cooperation between enterprises in the same industry in the industrial park;
- (ii) adding the form of high-tech industrial park. This is a form of industrial park with investment projects in science and technology, high technology, technology transfer, environmental protection, creative start-ups, innovation, research and development, education and training, production of industrial goods and provision services for industrial production. The addition of this industrial park form aims to improve the level and current technological capacity and production skills of enterprises in the industrial park; and
- (iii) adding the free trade zone in an economic zone. This is an area with geographical boundaries defined in the master plan for construction of an economic zone, separated from the outside by fences, satisfying the requirements concerning supervision and control by customs authorities and relevant functional agencies for imported and exported goods and means of transport, passengers on exit and entry, goods, means of transport and people entering and leaving; the relationship of buying, selling and exchanging goods between the non-tariff zone and the outside world is an import and export relationship.

Building the National Information System on industrial parks and economic zones











Decree 35/2022/ND-CP supplements regulations on the National Information System on industrial parks and economic zones, specifically as follows:

- (i) functions of the national information system on industrial parks and economic zones include: providing information on industrial parks and economic zones across the country; evaluate the effectiveness and provide information for the direction and administration; carry out public administrative procedures on business investment and other procedures and provide information for other state management;
- (ii) requirements for the national information system on industrial parks and economic zones: ensuring accuracy, completeness, science, synchronization, connection, regular updating and long-term use; ensure that it is used for the right purpose in accordance with the provisions of law;
- (iii) the content of national information system on industrial parks and economic zones includes groups of economic indicators, groups of social indicators and groups of environmental indicators. Ministry of Planning and Investment shall guide the collection, processing, storage, exploitation and use of information and databases on industrial parks and economic zones to develop national information on industrial parks, economic zones and organize the evaluation of the operational efficiency of industrial parks and economic zones nationwide;
- (iv) expenses for construction and operation of the national information system on industrial parks and economic zones: using non-business capital, development investment capital in accordance with the law on state budget, ODA capital, foreign concessional loan, capital mobilized from socialization and other funding sources and other legal sources of funds; and
- (v) regulations on responsibilities of the Ministry of Planning and Investment and the People's Committee of the province in building and operating the system, ensuring consistency, safety and smoothness.
- 4. Decree No. 33/2022/ND-CP on elaboration several articles of the Ordinance on Market surveillance, takes effect as of July 15th, 2022









On May 27th, 2022, the Government issued the Decree 33/2022/ND-CP on elaboration several articles of the Ordinance on Market surveillance ("Decree 33/2022/ND-CP"). This Decree takes effect as of July 15th, 2022.

Market surveillance officers' titles

Decree 33/2022/ND-CP does not regulates the specific market surveillance officers' titles. This Decree only stipulates that the Ministry of Industry and Trade shall stipulate codes, specialized standards and professional and salary classification for professional titles for market surveillance officers after obtaining the consent of the Ministry of Home Affairs.

Work instruments of market surveillance unit

Decree 33/2022/ND-CP lists and supplements the work instruments of market surveillance unit, including:

- (i) cars serving business affairs of position holders;
- (ii) cars serving general affairs;
- (iii) specialized cars: trucks, pick-up trucks, over 16-seat cars, cars equipped with laboratories, other specialized cars serving specific tasks;
- (iv) motorcycle;
- (v) speedboats; and
- (vi) radios, measuring and quick-testing equipment, specialized equipment, information technology equipment, electronics, machinery, office equipment and other professional technical equipment and facilities according to requirements and law.

Decree 33/2022/ND-CP also clearly states that work instruments of market surveillance units shall be managed and used in accordance with requirements, standards, extents and hierarchically under the law on management and use of public assets and the law on settling of administrative violations.

Competence of issuing the decision of specialized inspection

According to Decree 33/2022/ND-CP, persons who have an authority to issue the decision of specialized inspection, includes:









- (i) Director General of Vietnam Directorate of Market Surveillance;
- (ii) Director General of Department of Market Surveillance affiliated with Vietnam Directorate of Market Surveillance; Director General of Provincial Department of Market Surveillance affiliated with Vietnam Directorate of Market Surveillance (hereinafter referred to as Provincial Department of Market Surveillance), including Director General of Department of Market Surveillance at the municipal level; Director General of Department of Market Surveillance at the inter-municipal level; and
- (iii) Head of the Market Surveillance Team affiliated with the Provincial Department of Market Surveillance, including Head of the Market Surveillance Team of inter-district, inter-town, provincial city, and municipality; Head of the specialized Market Surveillance Team; Head of the mobile Market Surveillance Team.











DOCUMENTS ISSUED IN JULY 2022

DATE OF ISSUANCE	NO.	TYPE OF DOCUMENT	ISSUED BY	MAIN ISSUE
July 07 th ,2022	45/2022/ND- CP	Decree	Government	Regulations on sanctioning of administrative violations on environmental protection
July 12 th , 2022	09/2022/TT- NHNN	Circular	State Bank of Vietnam	Guiding on foreign currency management in business of prize-winning electronic games intended for foreigners
July 13 th ,2022	46/2022/ND- CP	Decree	Government	Amending to some articles of Decree No. 13/2020/ND-CP on elaboration of the Law on animal husbandry
July 19 th ,2022	47/2022/ND- CP	Decree	Government	Amending of Decree 10/2020/ND-CP









				regulating business and conditions for transport business by car
July 20 th ,2022	10/2022/TT- BTTTT	Circular	Ministry of Information and Communications	Amending Circular 13/2018/TT- BTTTT stipulating the list of cyberinformation security products imported under a license and the order, procedures and dossiers of application for a license to import cyberinformation security products
July 21st,2022	2594/TCT-CS	Official Dispatch	General Department of Taxation	Corporate Income Tax reduction under Decree No. 92/2021/ND-CP









July 26 th ,2022	48/2022/N□- CP	Decree	Government	On functions, tasks, powers and organizational structure of the Ministry of Information and Communications
July 27 th ,2022	45/2022/TT- BTC	Circular	Ministry of Finance	providing customs procedures for and management of automobiles and mopeds of subjects permitted to import or temporarily import these automobiles and mopeds for non- commercial purposes







