

# Vietnam NewsBrief\*

An update on trading activities in Vietnam

17 April 2008

## CIRCULAR 05 – AMENDMENT TO CIRCULAR 09 ON TRADING & DISTRIBUTION ACTIVITIES

The single distributor requirement has been removed with the issue of the much anticipated Circular No. 05/2008/TT-BCT dated 14 April 2008 ("Circular 05"). Circular 05 amends Circular No. 09/2007/TT-BTM on the implementation of trading and distribution activities by foreign invested enterprises in Vietnam.

According to Circular 05, foreign invested import enterprises are now allowed to sell imported goods to more than one distributor, provided that the distributors are licensed to engage in such goods distribution.

Circular 05 requires the importer to submit a quarterly report in the prescribed format to the licensing authority detailing the local distributors that have been engaged. The report includes the name, business registration certificate number and tax code of the local distributor(s) and details of the relevant goods to be imported.

Circular 05 will become effective 15 days from the date of its publication in the Official Gazette, which is expected to be in the middle of May 2008.

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This publication is intended for general guidance only and should not form the basis of specific decisions. Please contact us for further information and details of our services. In Ho Chi Minh City: contact David Fitzgerald (Tax), Phan Thi Thuy Duong (Legal), Kenji Murayama (Japanese Business), Ian Lyda II (Audit), Steve Gaskill (Advisory) at phone (84-8) 8230796, fax (84-8) 8251947. In Ha Noi: contact Dinh Thi Quynh Van (Tax), Le Anh Tuan (Legal), Yamagishi Akemi (Japanese Business), Nguyen Phi Lan (Audit), Marc de Pauw (Advisory) at phone (84-4) 946 2246, fax (84-4) 946 0705.