

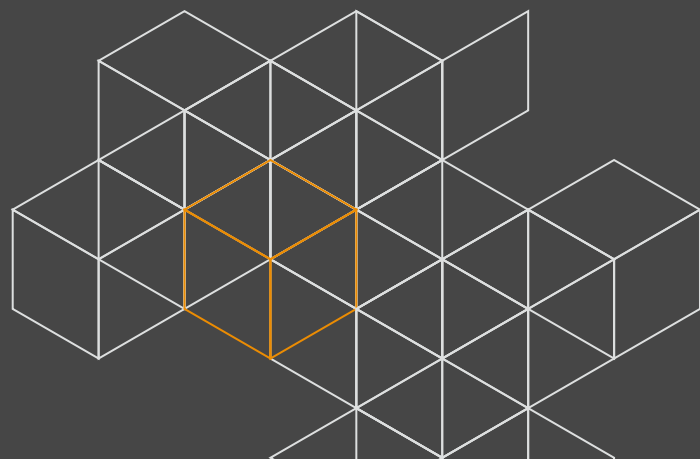


# PwC Vietnam NewsBrief

**Customs' view on where foreign traders may not be allowed to perform in-country export and import transactions**

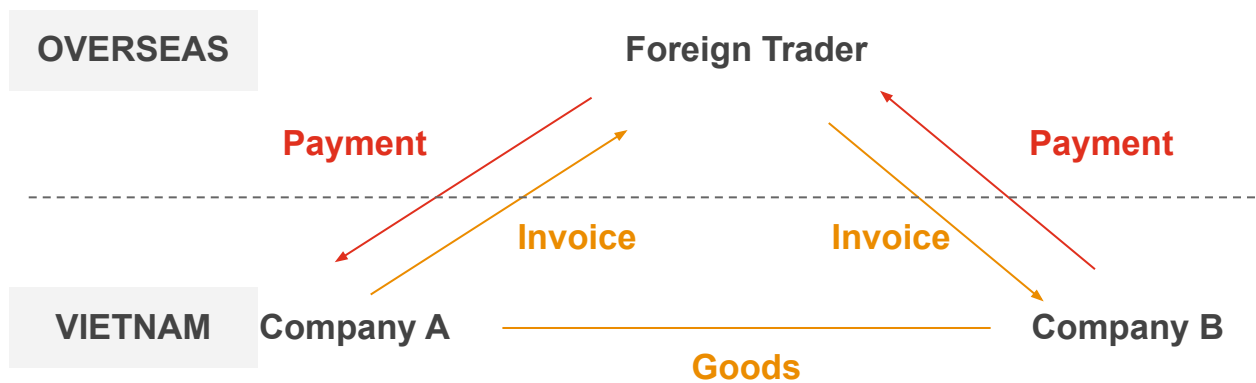


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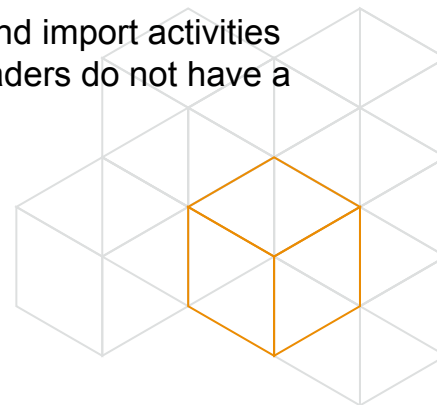
## Customs' view on where foreign traders may not be allowed to perform in-country export and import transactions

In-country exported and imported goods are defined to include goods traded between a Vietnamese company (A) and a foreign company (a trader) that has no presence in Vietnam, and where the foreign trader instructs the Vietnamese company (A) to deliver the goods to another company in Vietnam (B) as illustrated below.



Recently, the General Department of Customs issued Official Letter No. 4357/TCHQ-GSQL responding to a question regarding the in-country export and import activities of foreign traders which do not have a presence in Vietnam, in which GDC opined:

- Foreign traders treated as having no presence in Vietnam for this purpose are those which have no investment or business activities in Vietnam, and no representative office or branch here, as set out in the respective laws on investment, trade, and enterprises.
- Vietnamese companies carrying out in-country export and import activities are responsible for checking that the relevant foreign traders do not have a presence in Vietnam.



## Customs' view on where foreign traders may not be allowed to perform in-country export and import transactions

This position could impact the trading models of some companies. For example, if this position were applied, a foreign company having no business activity or representative office/branch in Vietnam, but which has a Vietnamese subsidiary, would be deemed to have a presence in Vietnam, and thus may not be able to enter into in-country export and import transactions.

While awaiting clarification/guidance from Customs on this matter, companies may wish to review their current in-country export and import transactions and consider the potential implications of the above from legal, tax, and customs perspectives.



# Contact us

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