

Hanoi, 23 January 2006

**DECREE
MAKING DETAILED PROVISIONS
FOR IMPLEMENTATION OF THE COMMERCIAL LAW WITH RESPECT TO
INTERNATIONAL PURCHASES AND SALES OF GOODS; AND AGENCY FOR SALE
AND PURCHASE, PROCESSING AND TRANSIT OF GOODS INVOLVING FOREIGN
PARTIES**

The Government

Pursuant to the *Law on Organization of the Government* dated 25 December 2001;

Pursuant to the *Commercial Law* dated 14 June 2005;

On the proposal of the Minister of Trade;

Decrees:

CHAPTER I

General Provisions

Article 1 *Governing scope*

1. This Decree makes detailed provisions for implementation of the *Commercial Law* with respect to international purchases and sales of goods including import, export, temporary import for re-export, temporary export for re-import, and transshipment; and for activities of principals and authorized dealers in importing and exporting goods and in agency for sale and purchase, processing and transit of goods involving foreign business entities.
2. Goods being moveable assets, goods servicing the needs of individuals with diplomatic status, and personal luggage as defined by law are governed by separate regulations of the Prime Minister of the Government.

Article 2 *Applicable entities*

Vietnamese business entities; and other organizations and individuals with activities relating to commerce as stipulated in the *Commercial Law*.

CHAPTER II

Import And Export Of Goods

Article 3 *Right to conduct the business of import and export*

1. With respect to Vietnamese business entities without direct foreign invested capital (hereinafter referred to as *business entities*):

Business entities shall have the right to import and export goods irrespective of the lines of business for which they have business registration, except for goods on the lists of goods the import and export of which is prohibited or temporarily suspended.

Branches of business entities shall be permitted to import or export goods as authorized by the business entities.

2. With respect to business entities with foreign invested capital, foreign companies and branches of foreign companies in Vietnam:

When business entities, companies and branches conduct commercial activities within the governing scope of this Decree, in addition to complying with this Decree, they must also comply with other relevant laws and undertakings of Vietnam in international treaties to which the Socialist Republic of Vietnam is a member.

Based on current law and international treaties, the Minister of Trade shall announce the schedule for and the scope of business activities of the business entities stipulated in this clause.

Article 4 *Procedures for import and export*

1. Any business entity wishing to import or export goods for which import and export is subject to issuance of a permit must have a permit from the Ministry of Trade or other ministry managing the specialized industry.
2. Import and export goods must comply with the relevant regulations on plant quarantine and on hygiene, safety and quality of foodstuffs and shall be subject to inspection by the specialized industry State administrative bodies prior to customs clearance.
3. Goods not on the lists of goods the import and export of which is prohibited or temporarily suspended, and not being goods stipulated in clauses 1 and 2 of this article shall only be subject to customs clearance procedures at the customs bordergate.

Article 5 *Goods the import or export of which is prohibited*

1. The list of goods the import or export of which is prohibited is promulgated with this Decree (Appendix 1).
2. The Government shall issue any decision amending the list of goods the import or export of which is prohibited, on the basis of proposals of the Minister of Trade.
3. Goods included on the list of goods the import or export of which is prohibited may still be imported or exported in necessary cases upon issuance of a decision of the Prime Minister of the Government.

Article 6 *Goods for which import and export is subject to issuance of a permit*

1. The list of goods for which import and export is subject to issuance of a permit is promulgated with this Decree (Appendix 2).
2. With respect to goods exported pursuant to quotas stipulated by foreign countries, the Minister of Trade shall reach agreement with ministries managing manufacture and with goods industry

associations to fix the method for allocating quotas; and shall ensure publicity, transparency and reasonableness.

3. With respect to goods on the list of imports subject to management pursuant to tariff quotas, the Ministry of Trade shall announce the volume of the tariff quota and the method for operating importation of each line of goods after consultation with the Ministry of Finance and relevant ministries managing manufacture; the Ministry of Finance shall preside over co-ordination with relevant ministries and bodies managing manufacture and with the Ministry of Trade to decide and announce import duties applicable to goods [imported] within or outside the tariff quota.
4. With respect to goods on the list of import and export pursuant to automatic permits, the Ministry of Trade shall announce [the list] and organize implementation from time to time.

Article 7 *Goods for which import and export is subject to issuance of a permit by the ministry managing the specialized industry*

1. The list of import and export goods subject to specialized industry management and the principles applicable in each specialized industry are promulgated with this Decree (Appendix 3).
2. Permit-issuing bodies must publicly announce the criteria and conditions for issuance of permits; and the procedures for issuance of permits must be correctly conducted in accordance with *Regulations on procedures for issuance of import permits* promulgated by the Prime Minister of the Government.

Article 8 *Import and export goods shall be subject to plant quarantine, inspection for hygiene and safety of foodstuffs, and inspection for compliance with quality standards prior to customs clearance*

1. The Ministry of Agriculture and Rural Development shall announce the list of import and export goods which must undergo plant quarantine inspection prior to customs clearance, and shall regulate the specific criteria for all types of goods on the list.
2. The Ministry of Health shall announce the list of goods which must be inspected for hygiene and safety of foodstuffs prior to customs clearance, and shall regulate the specific criteria for all types of goods on the list.
3. The Ministry of Science and Technology shall announce the list of import and export goods which must be inspected to ensure compliance with compulsory quality criteria and standards prior to customs clearance, and shall regulate the specific criteria for all types of goods on the list.

Article 9 *Announcement of list of goods code numbered HS and amendment to the lists of goods set out in Appendices 1, 2 and 3*

1. The Ministry of Trade and ministries managing specialized industries shall reach agreement with the Ministry of Finance to announce the HS code numbers on the *Import and Export Tariff Duty List* which apply to the lists of goods set out in Appendices 1, 2 and 3 of this Decree.
2. The Government shall issue any decision amending the lists of goods set out in Appendices 2 and 3 of this Decree on the basis of proposals of the Minister of Trade and ministries managing specialized industries.

Article 10 *A number of lines of goods which may be imported or exported pursuant to discrete provisions*

1. Export of all types of rice and rice goods.

Business entities from all economic sectors shall be permitted to export uncooked rice and rice goods.

The Ministry of Trade shall preside over coordination with the Ministry of Agriculture and Rural Development and with people's committees of provinces which have a large local output of rice goods, and with the Vietnam Association of Food Growers in order to manage the annual export of rice in accordance with the following principles; ensuring the security of foodstuffs, that all quantities of rice goods are sold, that the price of these goods is beneficial for farmers, and that there is a uniform level price of these goods throughout the country; and shall recommend to the Prime Minister of the Government solutions for dealing with issues if the above principles are not in harmony.

With respect to export contracts pursuant to agreements between the Government of Vietnam with foreign Governments (referred to as Government contracts), the Ministry of Trade shall consult the Vietnam Association of Food Growers in order for the latter to uniformly conduct transactions and signing of contracts and delivery of goods.

The Ministry of Trade shall formulate Regulations so that step by step these contracts shall be subject to tendering.

2. Import of petrol and fuel.

Import of petrol and fuel shall be implemented in accordance with current Regulations of the Prime Minister of the Government.

3. Import of all types of second-hand cars.

All types of second-hand cars which are imported must satisfy this condition: they are not over five years old, calculated from the date of manufacture up until the year of import.

4. Re-export of imported essential commodities for which the State guaranteed foreign currency balancing for import.

All lines of import goods in respect of which the State insures foreign exchange requirements for importation shall only be permitted to be re-exported when payment is made in a freely convertible foreign currency.

The Ministry of Trade shall announce a specific list of these goods from time to time and shall organize implementation.

5. Import of cigarettes and cigars.

Based on the current law on the manufacture, trading and use of all types of cigarettes and based on relevant international undertakings, the Minister of Trade shall preside over co-ordination with the Ministry of Industry to provide specific regulations on import of this line of goods.

6. Import and export of goods servicing national defence and security.

The import and export of goods servicing national defence and security shall be implemented pursuant to decisions of the Prime Minister of the Government.

Based on decisions of the Prime Minister of the Government, the Minister of Police and the Minister of Defence shall provide Regulations on issuance of permits to implement such importation and exportation.

7. Import of all types of wood from countries with common borders.

The Ministry of Trade shall provide specific guidelines on the import of all types of wood from countries with common borders in accordance with the Law of Vietnam, the Laws of the countries concerned, and the relevant agreements Vietnam has made with such countries.

Article 11 *Temporary suspension of importation or exportation of goods*

Where necessary, the Prime Minister of the Government shall decide to temporarily suspend importation or exportation to or from certain markets or of certain types of goods in order to ensure security and all types of national interests, consistent with the law of Vietnam and international treaties to which the Socialist Republic of Vietnam is a member. Decisions of the Prime Minister of the Government shall be publicly announced for the information of domestic and foreign organizations and individuals.

The Ministry of Trade shall inform relevant international economic organizations and countries in accordance with the agreed procedures (if any) when there is any specific decision of the Prime Minister of the Government temporarily suspending importation or exportation of goods.

CHAPTER III

Goods Temporarily Imported For Re-Export, Temporarily Exported For Re-Import And Transhipment Of Goods

Article 12 *Goods temporarily imported for re-export*

1. Business entities shall have the right to conduct business in the temporary import and re-export of goods pursuant to the following provisions:
 - (a) Business entities must have a permit from the Ministry of Trade in order to temporarily import for re-export goods on the lists of goods the import and export of which is prohibited or temporarily suspended, or goods on the lists in appendices 2 and 3 of this Decree (if there are regulations on issuance of permits for such goods);
 - (b) Business entities must have a permit from the Ministry of Trade in order to temporarily import for re-export goods on the lists of goods the import and export of which is prohibited or temporarily suspended, or goods on the lists in appendices 2 and 3 of this Decree (if there are regulations on issuance of permits for such goods);
 - (b) With respect to goods other than those stipulated in clause 1 of this article, business entities shall only be required to conduct procedures at the customs bordergate for temporary import for re-export.
2. Goods which are temporarily imported into Vietnam for re-export shall only be permitted to be circulated in Vietnam for one hundred and twenty (120) days as from the date of completion of customs procedures for temporary import. If this time-limit needs to be extended, business entities must forward a written application to the customs department of the province or city where the original procedures were conducted, and the duration of any one extension shall not exceed thirty (30) days and there shall be no more than two extensions permitted for each consignment of goods temporarily imported for re-export.

3. Goods temporarily imported for re-export shall be subject to customs procedures on importation into Vietnam and shall be subject to customs supervision for the entire period until their re-exportation from Vietnam.
4. Payment of goods by way of temporary import for re-export must comply with regulations on foreign exchange control and other guidelines of the State Bank of Vietnam.
5. Temporary import for re-export shall be implemented on the basis of two separate contracts, namely an import contract and an export contract signed by the Vietnamese business entity with the foreign business entity. The export contract may be signed either before or after the import contract.

Article 13 *Various forms of temporary import for re-export*

1. Goods being equipment, machinery, processing facilities, models and samples not on the lists of goods the import and export of which is prohibited or temporarily suspended shall be permitted to be temporarily imported for re-export pursuant to a contract of lease signed between a Vietnamese business entity and a foreign business entity in order to conduct manufacturing or processing. The procedures for temporary import for re-export shall be resolved at the customs bordergate. The temporary import for re-export of all types of import and export goods in the category of management by permit shall be implemented in accordance with the provision in clause 1(a) of article 12.
2. The duration of temporary importation for re-export shall be as stipulated in the agreement between the two business entities and shall be registered with the bordergate customs.
3. Business entities shall have the right to temporarily import goods which they previously exported for reprocessing and which they warranted at the request of the foreign business entity and re-exported for receipt by the foreign business entity. Procedures for temporary import for re-export shall be resolved at the bordergate customs.

Article 14 *Temporary export for re-import*

1. Business entities shall be permitted to temporarily export for re-import all types of machinery, equipment and means of transportation in order to repair, warrant, manufacture, process and lease them to foreign parties. Procedures for temporary export for re-import shall be regulated as follows:
 - (a) Goods on the lists of goods the import and export of which is prohibited or temporarily suspended, and goods on the lists in appendices 2 and 3 issued with this Decree (if there are regulations on issuance of permits for such goods) must have a permit from the Ministry of Trade;
 - (b) With respect to goods other than those in the category stipulated in clause 1 of this article, business entities shall only be required to conduct procedures for temporary export for re-import at the customs bordergate.
2. The duration of temporary export for re-import shall be implemented as agreed between the business entities and the duration shall be registered with the bordergate customs.
3. Goods temporarily exported as stipulated in this article shall be permitted to be sold, donated or returned to the foreign customer, or used as assets to contribute capital to a joint venture investment overseas in accordance with a contract between the business entity and a foreign party, except that goods temporarily exported for re-import in the category of goods stipulated in clause 1 of this article must have a permit from the Ministry of Trade prior to performance of the contract with the foreign party. Procedures for customs clearance of consignments of temporarily exported goods shall be resolved at the customs bordergate where procedures are conducted for the temporary export.

4. Payment for goods being machinery, equipment for processing and means of transportation which are sold or used as assets to contribute capital to a joint venture investment overseas must comply with the regulations on foreign exchange control and other guidelines of the State Bank of Vietnam or the current regulations on investment abroad by Vietnamese business entities.

Article 15 *Transshipment of goods*

Business entities shall have the right to conduct the business of transshipment of goods pursuant to the following provisions:

1. Except for the goods stipulated in clause 2 of this article, it shall be permitted to conduct business in all types of goods by way of transshipment. Transshipment procedures at Vietnamese bordergates shall be resolved by the bordergate customs.
2. With respect to goods on the lists of goods the import and export of which is prohibited or temporarily suspended, and goods for which import and export is subject to issuance of a permit, a business entity shall be permitted to tranship goods via Vietnamese bordergates after it has a permit from the Ministry of Trade. Business entities shall not be required to apply for a permit from the Ministry of Trade for the carriage of goods without passing through the bordergates of Vietnam.
3. Goods which are transported via the bordergates of Vietnam shall be subject to customs inspection up until the time they are actually exported from Vietnam.
4. Payment of money or goods by way of conducting the business of transshipment must comply with the regulations on foreign exchange control and other guidelines of the State Bank of Vietnam.
5. Transshipment of goods shall be implemented on the basis of two separate contracts, one for the purchase of goods signed by the Vietnamese business entity with the foreign exporting business entity, and a second for the sale of goods signed by the Vietnamese business entity with the foreign importing business entity. The contract for the purchase of goods may be signed either before or after the contract for the sale of goods.

Article 16 *Fighting illegal carriage of goods*

In order to prevent the illegal carriage of goods, to fight commercial fraud and to protect the reputation of export goods of Vietnam, in necessary cases the Minister of Trade shall report to the Prime Minister of the Government prior to announcing a list of lines of goods in which business in the form of temporary import for export and transshipment of goods is temporarily suspended. Regulations on the conditions applicable to a number of lines of goods or promulgation of a list of goods in which business may be conducted pursuant to this method must have permission from the Ministry of Trade.

CHAPTER IV

Import And Export Of Goods By Authorized Dealers

Article 17 *Import and export of goods by authorized dealers*

A business entity [the principal] shall be permitted to authorize another business entity [the authorized dealer] to import or export or to act as the authorized dealer receiving import or export from another business entity of all types of goods, except for goods on the lists of goods the import and export of which is prohibited or temporarily suspended.

Article 18 *Import and export by authorized dealers of goods subject to issuance of a permit*

With respect to import and export goods subject to issuance of a permit, as stipulated in this Decree, the principal or the authorized dealer must have an import or export permit prior to either party signing the contract of authorized dealership.

Article 19 *Import and export of goods by non-business entities pursuant to an authorized dealership*

Vietnamese organizations and individuals shall, subject to their signing a contract of authorized dealership, be permitted to import and export goods to service the requirements of such organization or individual, except for goods on the lists of goods the import and export of which is prohibited or temporarily suspended.

Article 20 *Rights and obligations of principals and of authorized dealers*

The rights and obligations of principals and of authorized dealers shall be as agreed by the parties in the contract of authorized dealership for the import or export of goods.

CHAPTER V

Agency For Sale And Purchase Of Goods Involving Foreign Business Entities

Section 1

Agency For Sale And Purchase Of Goods For Foreign Business Entities

Article 21 *Business entities which may act as agents for sale and purchase of goods for foreign business entities*

1. A business entity shall be permitted to act as an agent for the purchase or sale of all types of goods for a foreign business entity, except for goods on the lists of goods the import and export of which is prohibited or temporarily suspended. With respect to goods on the list for which import or export is subject to issuance of a permit, the business entity shall only be permitted to sign a contract after the Ministry of Trade has issued a permit.
2. In a case where the law contains a specific provision that a principal may only sign an agency contract with one agent with respect to any one type of goods or specified service, then the business entity must comply with such law.
3. Business entities shall be permitted to make payment for the sale of goods by authorized dealers by Vietnamese dong or by foreign currency to the foreign business entity in accordance with the regulations on foreign exchange control and guidelines of the State Bank of Vietnam, or shall be permitted to make payment by goods not on the lists of goods the export of which is prohibited or temporarily suspended. If payment is made by way of goods for which export is subject to issuance of a permit, then there must be a permit issued by the competent body.
4. A business entity acting as an authorized dealer for the purchase of goods must require the foreign business entity to remit freely convertible foreign currency via a bank in order to purchase the goods in accordance with the agency contract.

Article 22 *Tax obligations*

1. Goods under sale and purchase agency contracts shall be subject to taxes and other financial obligations in accordance with the law of Vietnam.
2. Vietnamese business entities shall be responsible for registering, declaring and paying all kinds of taxes and other financial obligations relating to goods under sale and purchase agency contracts and their business activities in accordance with law.

Article 23 *Import and export procedures*

Goods under sale and purchase agency contracts with foreign business entities shall, on import and export, be subject to the same procedures as in the case of import and export goods stipulated in clauses 1, 2 and 3 of article 4 of this Decree.

Article 24 *Return of goods*

Goods under agency contracts for sale for foreign business entities in Vietnam must be re-exported if they are not able to be sold in Vietnam. Tax refunds shall be carried out in accordance with regulations of the Ministry of Finance.

Section 2

Engaging Foreign Business Entities To Conduct Sale Agency Overseas

Article 25 *Engaging foreign business entities to conduct sale agency overseas*

1. Business entities shall be permitted to engage foreign business entities to conduct sale agency overseas for all categories of goods, except those on the lists of goods the export of which is prohibited or temporarily suspended. With respect to goods on the list of goods the export of which is subject to issuance of a permit as stipulated in this Decree, business entities may only enter into contracts for sale agency overseas after they have been issued with a permit by the Ministry of Trade.
2. Business entities engaging agents to sell goods overseas must enter into an agency contract with a foreign business entity and must remit to Vietnam all revenue received from the sale agency contract in accordance with regulations on foreign exchange control and guidelines of the State Bank of Vietnam.
3. In cases where payments from sales of goods by agents are received in kind, the business entity must comply with the current law regarding imported goods.

Article 26 *Tax obligations*

1. Goods under overseas sale agency contracts shall be subject to taxes and other financial obligations in accordance with the law of Vietnam.
2. Business entities shall be responsible to register, declare and pay all types of taxes and to fulfil other financial obligations arising in relation to engaging foreign business entities to conduct sale agency overseas, in accordance with guidelines of the Ministry of Finance.

Article 27 *Return of goods*

1. Goods exported under overseas sale agency contracts shall be imported back into Vietnam if they are not able to be sold overseas.
2. Goods imported back into Vietnam as referred to in clause 1 of this article shall not be subject to import duty and shall be entitled to export duty refunds (if any) in accordance with guidelines of the Ministry of Finance.

Article 28 *Import and export procedures*

The procedures for the export of goods under overseas sale agency contracts, including the import of goods back into Vietnam pursuant to article 27 of this Decree, shall be carried out the same as in the case of import and export goods stipulated in clauses 1, 2 and 3 of article 4 of this Decree.

CHAPTER VI

Processing Of Goods Involving Foreign Business Entities

Section 1

Processing for Foreign Business Entities

Article 29 *Business entities which may process goods for foreign business entities*

Business entities, including business entities with foreign owned capital, shall be permitted to process all goods for foreign business entities, except for goods on the lists of goods the import and export of which is prohibited or temporarily suspended. With respect to goods on the lists of goods the import and export of which is subject to issuance of a permit, business entities may only enter into processing contracts after they have been issued with a permit by the Ministry of Trade.

Article 30 *Processing contracts*

A processing contract must be made in writing or in another form with equivalent legal validity, and may include the following terms:

- (a) Names and addresses of contracting parties and of the party directly conducting the processing;
- (b) Name and quantity of processed products;
- (c) Prices for processing;
- (d) Time-limit for and method of payment;
- (dd) List, quantity and value of imported raw materials, sub-materials and supplies and domestically produced raw materials, sub-materials and supplies (if any) for processing; levels of use of raw materials, sub-materials and supplies; level of consumption of supplies and wastage rate of raw materials in processing;
- (e) List and value of machinery and equipment leased, lent or donated for the purpose of processing (if any);

- (g) Measures to treat scrap and discharged waste and principles for dealing with leased or borrowed machinery and equipment and with left-over raw materials, sub-materials and supplies upon termination of the processing contract;
- (h) Location and time of goods delivery;
- (i) Trade mark of goods and appellation of origin of goods;
- (k) Duration of validity of contract.

Article 31 *Levels of use and consumption and wastage rate of raw materials, sub-materials and supplies*

The levels of use and consumption and the wastage rate of raw materials, sub-materials and supplies shall be as agreed by the parties in processing contracts, taking into account the permissible levels and rates in the relevant Vietnamese manufacturing and processing industries as at the time of entering into the contract. Directors of enterprises being processors shall be responsible for the use of imported raw materials, sub-materials and supplies solely for the purpose of processing, and any breaches shall be dealt with in accordance with law.

Article 32 *Leasing, borrowing or importing machinery and equipment of suppliers for implementation of processing contracts*

Processors may lease or borrow machinery and equipment from their suppliers for the purpose of implementation of processing contracts. The lease, borrowing or donation of machinery and equipment must be agreed in the processing contract.

Article 33 *Rights and obligations of suppliers and processors*

1. In respect of suppliers:

- (a) To provide all or a part of the raw materials and supplies for processing as agreed in the processing contract;
- (b) To take back all processed products, leased or lent machinery and equipment and left-over raw materials, sub-materials, supplies and scraps after liquidation of the processing contract, except in cases of on-the-spot export, destruction or donation thereof as permitted by this Decree;
- (c) To send experts to Vietnam to provide instructions on production techniques and inspect the quality of processed products as agreed in the processing contract;
- (d) To be responsible for the right to use trademarks of goods and appellations of origin of goods;
- (dd) To comply with the law of Vietnam on processing activities and with the terms of the signed processing contract;
- (e) To be permitted to conduct on-the-spot export of processed products, leased or lent machinery and equipment and left-over raw materials, sub-materials and supplies, faulty products and scraps in accordance with written agreements between the parties concerned and consistent with current regulations on control of import and export of goods; provided that all tax obligations and other financial obligations stipulated by law must be fulfilled.

2. In respect of processors:

- (a) To be exempted from import duties in respect of machinery, equipment, raw materials, sub-materials and supplies temporarily imported in accordance with the fixed limits for the purpose of implementation of a processing contract; to be exempted from export duties in respect of processed products;
 - (b) To employ other business entities as processors;
 - (c) To be provided with a part or all of the raw materials, sub-materials and supplies for processing as agreed in the processing contract and to pay export duties in accordance with the provisions of the *Law on Import and Export Duties* in respect of the raw materials, sub-materials and supplies purchased locally;
 - (d) To receive payment from the supplier in the form of processed products, except in cases where such products are on the lists of goods the import and export of which is prohibited or temporarily suspended. In respect of products for which import and export is subject to issuance of a permit, there must be a permit from the Ministry of Trade or from the competent body authorized by the Ministry of Trade;
 - (dd) To comply with the law of Vietnam on processing, exporting, importing and manufacturing goods locally and the terms of the signed processing contract;
 - (e) To carry out procedures for on-the-spot export of processed products, leased or lent machinery and equipment and left-over raw materials, sub-materials and supplies, faulty products and scraps as authorized by principals.
3. Conditions for on-the-spot import and export of processed products, leased or lent machinery and equipment and left-over raw materials, sub-materials and supplies, faulty products and scraps:
- (a) The provisions of the law relating to import goods and duties and other financial obligations must be complied with;
 - (b) A contract of sale and purchase must be entered into between the foreign business entity or entity legally authorized by the foreign business entity and an import business entity.

Article 34 *Transitional processing*

Business entities shall be permitted to conduct transitional processing.

1. The processed products under any one processing contract may be used as materials for processing in Vietnam under another processing contract.
2. Processed products under a processing contract in one phase shall, under instructions of the supplier, be provided for the purpose of the processing contract of the following phase.

Article 35 *Finalization and customs clearance of processing contracts*

1. Upon termination or expiry of a processing contract, the parties to the processing contract must finalize the contract and carry out clearance procedures with the customs office.

In respect of processing contracts having a duration of more than one year, the processors shall carry out customs clearance procedures for such contracts every year with the customs office.

2. The basis for finalization and customs clearance of a processing contract is the quantity of imported raw materials, sub-materials and supplies and the quantity of products exported against the fixed

level of use of raw materials, sub-materials and supplies, the fixed level of consumption of supplies and the wastage rate as agreed in the processing contract.

3. Upon completion of a processing contract, any machinery and equipment leased or borrowed under the contract, left-over raw materials, sub-materials and supplies, faulty products and scraps shall be dealt with as agreed in the processing contract which must be consistent with the law of Vietnam.
4. The destruction of faulty products and scraps (if any) may only be carried out with permission from the Department of Natural Resources and Environment and must be conducted under the supervision of the customs office. In cases where destruction in Vietnam is not permitted, re-exportation on instructions of the supplier shall be required.
5. The donation of machinery, equipment, raw materials, sub-materials, supplies, scraps or faulty products shall be regulated as follows:
 - (a) The principal must issue a written document of gift;
 - (b) The donee must fulfil import procedures in accordance with current provisions on import and export; and must pay import duties and other taxes (if any) and register assets in accordance with current regulations.

Article 36 *Customs procedures*

The Ministry of Finance shall provide guidelines on customs procedures and financial obligations applicable to the export of processed products and shall monitor importation and exportation related to processing contracts.

Section 2

Processing Of Goods In Foreign Countries

Article 37 *General provisions*

1. Business entities of all economic sectors may have any type of goods which are permitted to be circulated in Vietnam processed in foreign countries for business purposes in accordance with law.
2. The exportation of machinery, equipment, raw materials, sub-materials or supplies for processing and the importation of processed products must comply with the law on import and export.
3. Contracts for processing of goods in foreign countries and the customs procedures in respect of the import and export of such processed goods shall comply with the provisions of articles 30 and 36 of this Decree.

Article 38 *Rights and obligations of business entities having goods processed in foreign countries*

1. To export temporarily machinery, equipment, raw materials, sub-materials or supplies or to tranship machinery, equipment, raw materials, sub-materials or supplies from a third party to the processor for the purpose of implementation of a processing contract.
2. To re-import processed products and, upon completion of a processing contract, to re-import left-over machinery, equipment, raw materials, sub-materials or supplies.

3. To sell processed products and exported machinery, equipment, raw materials, sub-materials or supplies for the purpose of implementation of a processing contract in the market of the country of the processor or any other market and to pay tax in accordance with the current law.
4. To be exempted from import duties and export duties in respect of machinery, equipment, raw materials, sub-materials or supplies temporarily exported for re-import; or to pay export duties in accordance with the *Law on Import and Export Duties* where re-import is not carried out.
5. To send experts and technical workers abroad for the purpose of inspection and acceptance of processed products.
6. The Ministry of Finance shall provide guidelines on discharge of financial obligations applicable to processed products imported to service domestic consumption.

CHAPTER VII

Transit Of Goods Through The Territory of Vietnam

Article 39 *Business entities permitted to provide transshipment services*

Business entities which have a business registration certificate for the lines of business being receipt and delivery of goods and carriage of goods shall be permitted to provide transshipment services via the territory of Vietnam for foreign goods owners.

Article 40 *Transit of goods through the territory of Vietnam*

1. All types of goods owned by foreign organizations and individuals shall be permitted to transit through the territory of Vietnam, except for weapons, ammunition, explosives, other highly dangerous goods, and goods on the lists of goods the import and export of which is prohibited or temporarily suspended. Transit procedures shall be resolved by the bordergate customs, unless an international treaty to which the Socialist Republic of Vietnam is a member contains some other provision.

The Ministry of Trade is delegated to announce the list of highly dangerous goods, after consulting the opinions of relevant Ministries and branches.

2. Goods being weapons, ammunition, explosives and highly dangerous goods shall only be permitted to transit through the territory of Vietnam with permission from the Prime Minister of the Government.
3. Goods on the lists of goods the import and export of which is prohibited or temporarily suspended, and goods on the lists of goods the import and export of which is subject to issuance of a permit shall be permitted to transit through the territory of Vietnam with permission from the Ministry of Trade, unless an international treaty to which the Socialist Republic of Vietnam is a member contains some other provision in which case such treaty shall apply.
4. Goods in transit through the territory of Vietnam shall be subject to supervision by the customs of Vietnam for the whole period during which they are circulating in the territory of Vietnam, and shall enter and exit Vietnam via the correct bordergate and route as stipulated; the quantity of goods exported must be the same quantity which was imported, with the same packaging and container.
5. The owner of goods in transit must pay customs fees and other types of charges applicable to goods in transit pursuant to the current law of Vietnam.

6. Goods in transit shall not be permitted to be sold or consumed in the territory of Vietnam. In necessary cases of sale or consumption in Vietnam, application for permission must be made to the Ministry of Trade.
7. The Ministry of Trade shall provide guidelines for conducting transit of goods through the territory of Vietnam in the cases of Treaties which have provisions different to those stipulated in clauses 1, 2 and 3 of this article.
8. The Ministry of Finance shall provide guidelines on procedures for storage including open storage of goods in transit, procedures for ship to ship transshipment, for change of means of carriage of goods in transit, and for extension of duration of goods in transit.
9. The Ministry of Transport and Communications shall provide guidelines on transit routes.

CHAPTER VIII

Dealing With Breaches

Article 41 *Dealing with breaches by business entities*

Business entities breaching the provisions of this Decree shall, depending on the seriousness of the breach, be subject to administrative penalty or shall be prosecuted for criminal liability in accordance with law.

Article 42 *Dealing with breaches by State officials and employees*

State officials and employees who abuse their position or power to breach the provisions of this Decree shall, depending on the seriousness of the breach, be subject to disciplinary penalty or shall be prosecuted for criminal liability in accordance with law.

CHAPTER IX

Implementing Provisions

Article 43 *Implementing provision*

1. This Decree shall be of full force and effect from 1 May 2006 and shall replace Decree No. 57-1998-ND-CP of the Government dated 31 July 1998 making detailed provisions for implementation of the *Commercial Law* with respect to importation, exportation, processing and sale and purchase agency involving foreign parties, and Decree No. 44-2001-ND-CP of the Government dated 2 August 2001 amending Decree No. 57-1998-ND-CP dated 31 July 1998.

Any previous provisions on management of import and export of goods which are inconsistent with this Decree are hereby repealed.

All legal instruments and guidelines for implementation of this Decree by ministries, branches and other bodies involved must be issued in order to take effect from 1 May 2006.

2. The Ministry of Finance shall instruct the customs branch to formulate a plan to supply to the Ministry of Trade and to other ministries and branches involved in the work of managing and operating import and export, on a periodical and random basis, data about enterprises engaged in import and export business and other types of business stipulated in this Decree, and data on import and export quotas

according to lists of goods and markets and other relevant data on import and export required by the Ministry of Trade.

3. The Ministry of Trade shall preside over co-ordination with other ministries and branches and with people's committees of provinces and cities under central authority to discharge the responsibility to inspect implementation of the provisions in this Decree; and to detect and notify any incorrect provisions in legal instruments of ministries and branches guiding implementation of this Decree so that such provisions can be amended.
4. Ministers, heads of ministerial equivalent bodies, heads of Government bodies and chairmen of provinces and cities under central authority shall be responsible for guiding the implementation of, and for implementing, this Decree.

For the Government
The Prime Minister

PHAN VAN KHAI

APPENDIX 1

LIST OF GOODS THE IMPORT OR EXPORT OF WHICH IS PROHIBITED

(Issued with Decree No. 12-2006-ND-CP of the Government dated 23 January 2006)

Goods on these Lists applies to import and export activities for both commercial and non-commercial goods, to the import and export of goods in border areas with neighbouring countries, and to goods being both Governmental and non-Governmental aid.

I. LIST OF GOODS THE EXPORT OF WHICH IS PROHIBITED

	Description of Goods
1.	Weapons, ammunition, explosive materials (except industrial explosives) and military technical equipment. (The Ministry of Defence shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
2.	National relics, antiques and precious objects which belong to all the citizens, to political organizations and to socio-political organizations. (The Ministry of Culture and Information shall guide the preparation of this List, announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
3.	Cultural products in the category prohibited from dissemination and circulation in Vietnam. (The Ministry of Culture and Information shall guide the preparation of this List, announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
4.	Round timber and sawn timber produced from domestic natural forests. (The Ministry of Agriculture and Rural Development shall guide the preparation of this List, announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
5.	Rare and precious wild animals, natural fauna and flora, and seedlings for growing crops and raising plants listed in Groups IA-IB of Decree No. 48-2002-ND-CP of the Government dated 22 April 2002; and rare and precious wild animals and fauna and flora in the "red book" for which Vietnam has made undertakings to international organizations. (The Ministry of Agriculture and Rural Development shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
6.	Rare and precious products of aquaculture. (The Ministry of Marine Products shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
7.	All types of specialist coding machines and cipher software programs used in the sector of protection of State secrets. (The Ministry of Trade and the Government Cipher Committee shall guide the implementation of this List.)
8.	Type 1 toxic chemicals stipulated in the <i>Treaty Prohibiting Chemical Weapons</i> . (The Ministry of Industry shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)

II. LIST OF GOODS THE IMPORT OF WHICH IS PROHIBITED

	Description of Goods
1.	Weapons, ammunition, explosive materials (except industrial explosives) and military technical equipment. (The Ministry of Defence shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)

2.	Assorted firecrackers (except for flares used for marine safety pursuant to guidelines of the Ministry of Transport) and equipment interfering with road traffic speed measuring instruments. (The Ministry of Police shall guide implementation of this List, announce the List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
3.	Second-hand consumer goods, comprising the following groups: - Textiles and garments, shoes and sandals, clothing. - Electronic goods. - Refrigerators. - Household electrical appliances. - Medical apparatus. - Furniture and items of interior decoration. - Household goods comprising porcelain, terracotta and china, glass, metal, resin, rubber and plastic articles and household goods made from other materials. (The Ministry of Trade shall specify the above lines of goods in more detail and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .) - Second-hand information technology products. (The Ministry of Posts and Telecommunications shall specify the above lines of goods in more detail and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
4.	Cultural products prohibited from dissemination and circulation in Vietnam. (The Ministry of Culture and Information shall guide implementation, announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
5.	Right-hand-drive motor vehicles (including vehicles in which the right-hand-drive mechanism has been removed or re-arranged prior to import into Vietnam) except for specialized use right-hand-drive motor vehicles used in narrow places such as cranes, canal and drain digging machines, road sweepers, road watering vehicles, rubbish collecting vehicles, road surfacing vehicles, passenger vehicles at airports, fork-lift trucks at warehouses and ports, and caddy vehicles at golf-courses. (The Ministry of Transport shall announce this List using the HS code numbers on the <i>Import and Export Tariff Duty List</i> .)
6.	Second-hand materials and transport facilities, comprising: - Frames, tyres and tubes, accessories and engines of all types of automobiles, tractors, two-wheeled and three-wheeled vehicles. (The Ministry of Transport shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .) - Chasses attached to automobile and tractor engines. (The Ministry of Transport shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .) - Bicycles. (The Ministry of Industry shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .) - Two and three-wheeled motor vehicles. (The Ministry of Industry shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .) - Ambulances. (The Ministry of Industry shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .) - All types of vehicles in which the transmission structure has been changed as compared to the original design; or in which the frame or engine number has been erased.
7.	Scrap and waste, refrigerating equipment using C.F.C. (The Ministry of Natural Resources and Environment shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)
8.	Products containing asbestos of the group of amphibole. (The Ministry of Construction shall announce this List and record the HS code numbers

	from the <i>Import and Export Tariff Duty List</i> .)
9.	Type 1 toxic chemicals stipulated in the <i>Treaty Prohibiting Chemical Weapons</i> . (The Ministry of Industry shall announce this List and record the HS code numbers from the <i>Import and Export Tariff Duty List</i> .)

APPENDIX 2

LIST OF GOODS THE IMPORT OR EXPORT OF WHICH IS SUBJECT TO ISSUANCE OF A PERMIT FROM THE MINISTRY OF TRADE

(Issued with Decree No. 12-2006-ND-CP of the Government dated 23 January 2006)

Goods on these Lists applies to import and export activities for both commercial and non-commercial goods, to the import and export of goods in border areas with neighbouring countries, and to goods being both Governmental and non-Governmental aid.

I. EXPORT GOODS

A. EXPORT PERMIT:

	Description of Goods
1.	Textiles and garments exported to markets which are subject to quotas as announced by the Ministry of Trade from time to time. (The Ministry of Trade and the Ministry of Industry shall jointly provide guidelines for implementation of the above).
2.	Goods the export of which needs to be controlled pursuant to international treaties or agreements which Vietnam has signed or in which it participates, as announced by the Ministry of Trade from time to time.

B. AUTOMATIC EXPORT PERMIT:

The Ministry of Trade shall announce the List of goods to which the system of issuance of automatic permits applies from time to time, and shall issue permits in accordance with current regulations on issuance of permits.

II. IMPORT GOODS

A. IMPORT PERMIT:

	Description of Goods
1.	Goods the import of which needs to be controlled pursuant to international treaties or agreements which Vietnam has signed or in which it participates, as announced by the Ministry of Trade from time to time.
2.	Two-wheeled and three-wheeled vehicles from 175 cm ³ and above. (The Ministry of Trade shall specify the above lines of goods using the HS code numbers on the <i>Import and Export Tariff Duty List</i> and shall guide implementation. The Ministry of Police shall announce entities which are permitted to register use.)
3.	Sports weaponry (pursuant to decisions of approval made by the Committee for Sports and Physical Education).

B. PERMIT PURSUANT TO THE QUOTA REGIME:

	Description of Goods
1.	Salt.
2.	Tobacco raw material.
3.	Poultry eggs.

4.	Refined sugar, raw sugar.
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The Ministry of Trade shall specify the above lines of goods to which the quota regime applies, using the HS code numbers on the *Import and Export Tariff Duty List*.

C. AUTOMATIC IMPORT PERMIT:

The Ministry of Trade shall announce the List of goods to which the system of issuance of automatic permits applies from time to time, and shall issue permits in accordance with current regulations on issuance of permits.

APPENDIX 3

LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT AND THE APPLICABLE MANAGEMENT PRINCIPLES

(Issued with Decree No. 12-2006-ND-CP of the Government dated 23 January 2006)

Goods on these Lists applies to import and export activities for both commercial and non-commercial goods, to the import and export of goods in border areas with neighbouring countries, and to goods being both Governmental and non-Governmental aid.

I. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT BY THE MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT

A.	Export Goods	Form of Management
1.	Rare and precious wild animals, natural fauna and flora for which there is an urgent need to control export pursuant to the <i>CITES Convention</i> which Vietnam has undertaken to implement. Rare and precious wild animals, natural fauna and flora in Groups IIA and IIB in Decree No. 48-2002-ND-CP of the Government dated 22 April 2002.	The Ministry of Agriculture and Rural Development shall rely on the provisions in the <i>CITES Convention</i> to announce the conditions for export and to provide guidelines on procedures for export. The Ministry of Agriculture and Rural Development shall announce the specific conditions for export and provide specific guidelines on export procedure.
2.	Rare and precious seedlings for growing crops and raising plants.	The Ministry of Agriculture and Rural Development shall provide guidelines pursuant to the Ordinance on Crop Seeds and the Ordinance on Plant Seeds.
3.	Firewood and charcoal made from timber or firewood sourced from wood from domestic natural forests.	The Ministry of Agriculture and Rural Development shall announce the specific conditions for export and provide specific guidelines on export procedure.
B.	Import Goods	Form of Management
1.	Veterinary medicines and raw materials for the production of veterinary medicines, registered for the first time for import into Vietnam.	Licence for Testing
2.	Biologically and micro-biologically produced articles and chemicals used in veterinary medicines, registered for the first time for import into Vietnam.	Licence for Testing
3.	(a) Plant protection agents and raw materials for the production of plant protection agents, outside the List of goods permitted to be used in Vietnam. (b) Plant protection agents and raw materials for the production of plant protection agents, on the List of restricted use goods.	(a) and (b): Import permit specifying the conditions for import, the quantity to be imported and the procedures for issuance of the permit.
4.	Seedlings for growing crops and raising plants, and various types of insects which are not yet found in Vietnam.	Licence for Testing

5.	Feed for livestock and raw materials for the production of feed for livestock, of types used for the first time in Vietnam.	Licence for Testing
6.	New types of fertilisers used in Vietnam.	Licence for Testing
7.	Genes of plants and crops; micro-organisms serving research, scientific and technical exchange.	Import permit specifying the conditions for import and the procedures for issuance of the permit.
8.	Rare wild animals and plants for which there is a need to control import pursuant to the <i>CITES Convention</i> which Vietnam has undertaken to implement.	The Ministry of Agriculture and Rural Development shall rely on the provisions in the <i>CITES Convention</i> to announce the conditions for import and to provide guidelines on procedures for import.

Management Principles:

1. The Ministry of Agriculture and Rural Development shall promulgate Lists of all types of import goods subject to specialized industry management; and shall announce the types of goods already used in Vietnam using the correct HS code numbers on the *Import and Export Tariff Duty List*, and the types of goods enterprises may import into Vietnam pursuant to their needs without applying for a permit.
2. The Ministry of Agriculture and Rural Development shall issue Licences for Testing for types of goods imported into Vietnam for the first time, and for goods on the List of goods already used in Vietnam. The contents of Licences for Testing and the duration of testing shall be implemented in accordance with guidelines of the Ministry of Agriculture and Rural Development. Depending on the test results, the Ministry of Agriculture and Rural Development shall issue a decision permitting or not permitting the goods to be used in Vietnam. Once the Ministry of Agriculture and Rural Development permits a type of goods to be used in Vietnam, such type of goods may be imported as needed, without restriction on quantity or value and without application for a permit.

II. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT BY THE MINISTRY OF MARINE PRODUCTS

1. Specialist management by the Ministry of Marine Products shall take the form of promulgation of the following Lists of goods, using the HS code numbers on the *Import and Export Tariff Duty List*:
 - (a) List of the types of marine products the export of which is conditional;
 - (b) List of the types of goods serving aquaculture the import of which is conditional;
 - (c) List of marine seedlings which may normally be imported and exported;
 - (d) List of drugs, chemicals and raw materials for the production of drugs and chemicals used in aquaculture which may normally be imported.
2. Management principles:
 - (a) The Ministry of Marine Products shall promulgate the Lists of goods on lists (a) and (b) above and announce the conditions for import and export. Entities which satisfy the conditions may directly conduct import and export procedures with the customs office and there shall be no need to apply for a permit from the Ministry of Marine Products.

- (b) All types of seedlings, drugs, chemicals and raw materials for the production of drugs and chemicals which are not yet named on Lists (c) and (d) above may only be imported into Vietnam with an import permit for testing issued by the Ministry of Marine Products. Every six months and annually, the Ministry of Marine Products shall supplement onto the Lists those types of goods which have good test results. When the Ministry of Marine Products adds such goods to the Lists of goods which may normally be imported, the goods may be imported as needed without restriction on quantity and value, and there shall be no need to apply for an import permit.

III. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT BY THE STATE BANK

A.	Export Goods	Form of Management
	Nil.	
B.	Import Goods	
1.	Machines for destroying money (pursuant to technical criteria stipulated by the State Bank).	Import permit
2.	Cash safe doors (pursuant to technical criteria stipulated by the State Bank).	Import permit
3.	Paper for printing money.	Appointment of an enterprise permitted to import
4.	Ink for printing money.	Appointment of an enterprise permitted to import
5.	Anti-counterfeit colour press used for money, cheques, stamps and other valuable papers which the banking industry issues and controls.	Appointment of an enterprise permitted to import
6.	Money printing machines (pursuant to technical criteria announced by the State Bank).	Appointment of an enterprise permitted to import
7.	Metal casting machines and machines for stamping money (pursuant to technical criteria announced by the State Bank).	Appointment of an enterprise permitted to import

Management principles:

The State Bank shall promulgate the List of goods subject to specialized industry management using the HS code numbers on the *Import and Export Tariff Duty List*, and shall appoint enterprises permitted to import the types of items specified on this List; shall regulate the conditions for import and the procedures for issuance of an import permit; and shall be responsible to manage the use of machinery, equipment and goods for the correct objective.

**IV. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT
BY THE MINISTRY OF POSTS AND TELECOMMUNICATIONS**

A.	Export Goods	Form of Management
	Nil.	
B.	Import Goods	
1.	Postage stamps, stamp publications and lines of stamp goods.	Import permit
2.	Radio transmitters and receivers with a frequency from 9KHz to 400GHz and a capacity of 60mW upwards.	Import permit
3.	Radar equipment, radio wave assisted equipment and long-range radio wave controlling apparatus.	Import permit

Management principles:

The Ministry of Posts and Telecommunications shall promulgate the List of specific goods using the HS code numbers on the *Import and Export Tariff Duty List*, and shall regulate the conditions for import and the procedures for issuance of an import permit.

**V. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT
BY THE MINISTRY OF CULTURE AND INFORMATION**

A.	Export Goods	Form of Management
1.	All types of printed matter (books, newspapers, magazines, pictures, photos, calendars and so forth).	File on source of the goods
2.	Cinematographic works and other visual-aural products recorded on any material.	File on source of the goods
3.	Newly produced artistic works of all types, made on any material.	File on source of the goods
4.	Relics and antiques not owned by all the citizens, by political organizations or by socio-political organizations.	Export permit
B.	Import Goods	Form of Management
1.	All types of printed matter (books, newspapers, magazines, pictures, photos, calendars and so forth).	Approval of contents
2.	Cinematographic works and other visual-aural products recorded on any material.	Approval of contents
3.	Plate-making systems and type-setting systems for specialist use in the printing industry.	Import permit specifying the conditions for import and procedures for issuance of the permit.
4.	Printing machines (offset, Flexor and bronze cylinder printers) and colour photocopiers.	Regulations on conditions
5.	Equipment for receiving television signals from satellites (TVRO).	Regulations on conditions
6.	Electronic games machines with built-in	Regulations on conditions (regarding the

	prizes and specialized equipment for games in casinos.	equipment and the built-in programmes). Enterprises having an issued investment licence or having business registration pursuant to Decision No. 32-2003-QD-TTg of the Prime Minister of the Government dated 27 February 2002 shall be permitted to import these machines.
7.	Children's games.	Announcement of the properties and types of games permitted to be imported.

Management Principles:

1. The Ministry of Culture and Information shall promulgate the above Lists of specific goods using the HS code numbers on the *Import and Export Tariff Duty List*.

The products listed in clauses 1, 2 and 3 of Section A shall be permitted to be exported on request, and procedures shall be resolved at customs, when:

- The items are permitted to be produced and circulated in Vietnam, or
- They have a certificate clearly stating the source of the items.

The Ministry of Culture and Information shall be responsible to provide specific guidelines on these principles, and shall not issue export permits nor approve the contents, quantity or value of export products.

2. With respect to aural-visual products not being cinematographic works, the Ministry of Culture and Information shall authorize Departments of Culture and Information to approve their contents.

**VI. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT
BY THE MINISTRY OF HEALTH**

A.	Export Goods	Form of Management
	Nil.	
B.	Import Goods	
1.	Addictive substances, substances which act on the central nervous system, and precursors (including finished product medicines).	Import permit specifying the conditions for import and procedures for issuance of the permit
2.	Preventive and curative medicines for humans, being finished products, with a registered number.	Permitted to be imported pursuant to need, without verifying the order for import
3.	Preventive and curative medicines for humans, being finished products, but without a registered number.	Licence for Testing
4.	The following items being new types used in Vietnam, namely raw materials for the production of medicines, pharmaceutical drugs and adjuvant, empty capsules and packaging which directly contacts medicine.	Licence for Testing
5.	Cosmetics directly impacting on human health.	Registration of circulation

6.	Vaccines and immune biological products outside the List of goods permitted to be imported as needed.	Import permit
7.	Medical equipment which may directly impact on human health, outside the List of goods permitted to be imported as needed.	Import permit
8.	Chemicals and products for the extermination of insects and bacteria, used in homes and in medicine generally.	Registration of circulation

Management principles:

1. With respect to raw materials for the production of medicines, pharmaceutical drugs and adjuvant, empty capsules and packaging which directly contact medicine; vaccines and immune biological products; and medical apparatus, the Ministry of Health shall announce the List of items permitted to be imported as needed, but outside this List there must be an import permit specifying the conditions for import and procedures for issuance of the permit.
2. Items in the category of regulation by testing licences must comply with the contents of the testing and the period for testing in accordance with guidelines of the Ministry of Health. Depending on the test results, the Ministry of Health shall make a decision permitting or not permitting use in Vietnam. When the Ministry of Health permits the use of items in Vietnam, they may be imported as needed without restriction on quantity or value, and there shall be no need to apply for an import permit or produce verification of an order for import of the goods.
3. Once commodities in the category of regulation by registration for circulation have a registered number, they may be imported as needed without restriction on quantity or value, and there shall be no need to apply for an import licence or produce verification of an order for import of the goods.
4. The Ministry of Health shall provide for implementation of and shall detail the above Lists of goods using the HS code numbers on the *Import and Export Tariff Duty List*.

VII. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT BY THE MINISTRY OF INDUSTRY

A.	Export Goods	Form of Management
1.	Toxic chemicals and products containing toxic chemicals. Drug precursors used in the industrial sector (pursuant to the <i>Law on Fighting Drugs</i> and other relevant legal instruments).	Promulgation of a List of export goods including those subject to conditions, and the criteria or export permit applicable to each item.
2.	Minerals.	Promulgation of a List of export goods subject to conditions, specifying the conditions or criteria applicable.
3.	Industrial explosives.	Permit
B.	Import Goods	
1.	Toxic chemicals and products containing toxic chemicals. Precursors used in the industrial sector.	Promulgation of a List of import goods specifying the conditions, the criteria for import or the import permit applicable to each item.
2.	Sodium hydroxide (liquid form).	Regulations on standards
3.	Chloric acid.	Regulations on standards

4.	Manufactured sulphuric acid.	Regulations on standards
5.	Pure sulphuric acid.	Regulations on standards
6.	Manufactured phosphoric acid.	Regulations on standards
7.	Alums from the hydroxide chemical group.	Regulations on standards
8.	Industrial explosives. High concentration ammonium nitrate (NH ₄ NO ₃).	Import permit specifying the conditions for import and procedures for issuance of the permit.

Management principles:

With respect to lines of goods set out in groups 2 to 7 inclusive of Section B, the Ministry of Industry shall only regulate the conditions for import or the technical criteria which must be satisfied in order to import; an import permit or certificate of verification shall not be required, and it shall not be necessary to obtain approval of the quantity or value of goods to be imported.

**VIII. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT
BY THE MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT**

A.	Export Goods	Form of Management
	Nil.	
B.	Import Goods	
1.	Scrap.	Regulations on conditions or standards.

Management principles:

On the basis of the conditions or standards for permitting the import of scrap, importing enterprises shall directly conduct import procedures with the customs office.

The Ministry of Natural Resources and Environment shall promulgate the above List of specific goods using the HS code numbers on the *Import and Export Tariff Duty List*.

**IX. LIST OF GOODS SUBJECT TO SPECIALIZED INDUSTRY MANAGEMENT
BY THE MINISTRY OF TRANSPORT**

A.	Export Goods	Form of Management
	Nil.	
B.	Import Goods	
1.	All types of flares used for maritime safety. The Ministry of Transport shall promulgate this List using the HS code numbers on the <i>Import and Export Tariff Duty List</i> , and shall regulate the procedures for issuance of permits.	Issuance of a permit