



PwC Vietnam NewsBrief

Customs update in-country export
and import transactions in Vietnam



www.pwc.com/vn



At a glance..

The General Department of Customs recently issued official letters 3987/TCHQ-GSQL dated 31 July 2023 and 4146/TCHQ-GSQL dated 8 August 2023 regarding in-country export and import tripartite transactions involving foreign traders. This refers to the developments regarding in-country export and import transactions covered in our Newsbriefs dated 10 November 2022 and 9 June 2023.

In details

In-country export and import customs procedures are set out in Article 35 of Decree 08/2015/NĐ-CP guiding customs law as follows:

“1. In-country export and import includes the following cases:

- a. Goods produced in Vietnam under toll manufacturing contracts with a foreign trader and sold to Vietnamese organizations or individuals;*
- b. Sales and purchase transactions between domestic enterprises and export processing enterprises, and enterprises in non-tariff zones; and*
- c. Sales and purchase transactions between Vietnamese enterprises and overseas organizations or individuals which have no presence in Vietnam, where goods are instructed to be directly delivered to/received from another enterprise in Vietnam.”*

Letters 3987 and 4146 deal with in-country export and import transactions under case 1.c above and emphasize that foreign traders which have a presence in Vietnam are not allowed to be involved in the in-country export and import customs procedures.

Letter 3987 refers to Clause 5 Article 3 of the Law on Foreign trade management no. 05/2017/QH14 and Clause 2 Article 3 of Decree 90/2007/ND-CP which define a foreign trader without a presence in Vietnam, where:

- Per Clause 5 Article 3 of the Law on Foreign trade management no. 05/2017/QH14:
 - “5. Foreign trader without a presence in Vietnam is a foreign trader that does not conduct investment and business activities in Vietnam in the forms prescribed in the Law on investment, commerce and enterprises; does not have a representative office or branch in Vietnam in accordance with the Law on commerce and enterprises.”*

In details

- Per Clause 2 Article 3 of Decree 90/2007/ND-CP:
“2. Foreign trader without a presence in Vietnam is a foreign trader without direct investment in Vietnam in the forms specified in the Law on investment and Law on commerce; does not have a representative office or branch in Vietnam following the Law on commerce.”

Letter 4146 elaborates that foreign traders which already have a presence in Vietnam such as a representative office, branch, or subsidiary, economic organizations; capital contribution, shares or stakes purchase; investment project; business cooperation contract; new forms of investment and new types of economic organizations according to the Government's regulations are prohibited from involvement in-country export and import transactions.

These letters therefore underline the problems now faced by companies involved in certain in-country export and import transactions covered in our previous Newbriefs. Various efforts are being made to address these coming developments and we will keep you updated. In the meantime, if you wish to discuss these issues please contact our customs specialists.

Contact us

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. For further information or if you require our official advice or assistance, please reach out to us.



Nguyen Thanh Trung

Partner

+84 903 003 847

nguyen.thanh.trung@pwc.com



Nguyen Huong Giang

Partner

+84 979 001 783

n.huong.giang@pwc.com



www.pwc.com/vn

