Executive summary

Key issues
Outlined below are the key changes implemented by Decree 140.

Additional work permit exemption
- A foreign national who is responsible for establishing a commercial presence in Vietnam is exempt from the requirement for a work permit.

Work permit exemption certificate waived for new subject
- This extends to relatives of members executing their functions in foreign missions in Vietnam who are permitted to work in Vietnam in accordance with the International Treaties to which Vietnam is a signatory.

Changes in paperwork and processing timeline
- A certified copy of a passport is no longer required for a work permit application. A copy is sufficient.
- A list of foreign employees specifying their full name, age, gender, nationality, passport number, starting and ending employment dates and job position is no longer required when applying for a work permit exemption certificate.

A work permit will be issued within five working days from the date of submission.

Revocation process of the work permit
- Employers are no longer required to return the invalid work permits of foreign employees to the local authority and the Ministry of Labor, Invalids and Social Affairs (MOLISA) no longer has a responsibility to collect permits or issue cancellation certificates.

Option on authority to submit applications
- Enterprises with operations in more than one location can select submit all of the relevant applications to the MOLISA.

Other
A demand report on using foreign employees is no longer required to be submitted in the following cases:
- Chief of representative offices and director of projects of international organizations or non-governmental organizations in Vietnam.
- Relatives of members executing their functions in foreign missions in Vietnam who are permitted to work in Vietnam in accordance with the International Treaties to which Vietnam is a party.
Next steps
It is anticipated that there will be a period of time where the implementation of Decree 140 could lead to some confusion, and the practice may be different in the cities/provinces. More detailed guidelines from the related authorities are expected to be provided in the future.

Employers should monitor the issuance of circular and/or other legal documents providing detailed guidance of the new Decree to ensure the new rules are applied in the most effective way.

If you require any assistance, please consult your local EY advisor, or one of the contacts listed in this alert.

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