## RHTLaw Vietnam



November 2023



Freepik

# AMENDMENTS TO REGULATIONS ON RECRUITMENT OF FOREIGN EMPLOYEES

The Government has recently issued Decree No. 70/2023/ND-CP ("Decree 70" or "New Decree") introducing certain modifications to Decree No. 152/2020/ND-CP ("Decree 152" or "Old Decree") governing the recruitment of foreign employees in Vietnam.

# Focusing more on the suitability of working experience for the proposed working position

As for **experts** and **technical employees**, in general, educational or training background and working experience is still required as the case may be, but the New Decree emphasizes its suitability for the proposed working positions as compared with the Old Decree:

- Regarding experts, while they are still required to graduate from universities (or higher institutes) and have at least three years of working experience, the New Decree requires their working experience suitable to the proposed working position (instead of being not only suitable to the proposed working position but also relevant to the educational background as under the Old Decree).
- Regarding technical employees, they must be trained for at least one year and have at

least three years of working experience suitable to the proposed working position (instead of being trained in the technical sector or another sector and having working experience in the same sector that trained).

## Further clarifying the working position as managing director

As for *managing directors*, the new Decree makes clearer that (i) they can be head of branch, head of representative office or head of business locations of an enterprise, or (ii) they can also be head directly in charge of at least one sector of an enterprise and under direct supervision of head of an enterprise.

# Evidencing the satisfaction by foreign employees with the proposed working position

Working positions such as *managers* or *managing directors* must be recorded in (i) the charter or operation rules of an enterprise, (ii) enterprise registration certificate/ incorporation certificate/ incorporation decision or equivalents, (iii) resolution/ decision on appointment.

As for **experts** or **technical employees**, it is necessary to have (i) degrees, certificates, (ii) confirmation on number of years of working experience issued by foreign enterprises, (iii) in

### **Legal Updates**

certain cases, work permit or confirmation on work permit exemption issued by the Vietnamese authority.

### **Administrative procedures**

There is no major change in relation to the administrative procedures for issuing work permit or confirmation on work permit exemption save for that:

- the timeline for an enterprise to submit an explanation on demand for recruitment of foreign employees is shortened from 30 days to 15 days before the starting date of such recruitment; and
- (ii) also, from 1 January 2024, within at least 15 days prior to submission of the aforesaid explanation on demand for recruitment of foreign employees, an enterprise will notify the recruitment of foreign employees on the online portal of the Vietnamese State.

### **About the Authors**



Benjamin Yap (Mr.)

Senior Partner Ho Chi Minh City Office Tel. (+84) 28 3820 6448

benjamin.yap@rhtlaw.com.vn



Dang Thi Tuong Vi (Ms.)

Partner Ho Chi Minh City Office Tel. (+84) 28 3820 6448

vi.dang@rhtlaw.com.vn

#### About RHTLaw Vietnam

>

#### **RHTLaw Vietnam**

Suite 1101, 11th Floor, Sofitel Central Plaza 17 LeDuan Boulevard, District 1, Ho Chi Minh City Vietnam

Tel: +84 28 38206 448

>

#### RHTLaw Vietnam - Hanoi Branch

Unit 1501B, 15th Floor, Charmvit Tower 117 Tran DuyHung Street, Cau Giay District, Hanoi Vietnam

Tel: +84 24 3974 8881

RHTLaw Vietnam is a Vietnam law practice registered as a limited liability company in Vietnam (the "LLC").

It works in collaboration with the Singapore law practice RHTLaw Asia LLP. The LLC is a distinct legal entity in Vietnam.

Our model is driven by the focus on helping clients succeed, which translates to clear and precise solutions with high-level legal and commercial insights. We proactively grow our practice in tandem with regional and international fast-growing industries and areas like Banking & Finance, Capital Market, M&As, Inward & Outward Investment, Intellectual Property, Trading & Commerce, Real Estate & Construction, Telecommunications, Employment and Litigation.

Find out more about us at www.rhtlaw.com.vn