

FOREIGN INVESTOR DOING HOTEL SERVICE BUSINESS IN VIETNAM (PART 1)



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Conditions for foreign investor to operate hotel business in Vietnam:

Conditions according to international commitments:

- Vietnam has completely opened up the hotel service industry;
- There are no restrictions on the level of foreign investment, applying to both direct investment (establishment of 100% foreign-owned enterprises) and indirect investment (capital contribution, share purchase). According to the WTO commitment document, the hotel service industry is recorded under CPC 64110 - hotel accommodation services.

Conditions according to Vietnamese law:

Vietnamese law classifies hotels into the following types:

- Hotel means tourist accommodations built as a unit, ensuring the quality of facilities, equipment, and necessary services to serve customers.
- Resort means tourist accommodations built as a unit or a complex of villas, low-rise houses, and apartments, typically located in areas with beautiful natural landscapes, and fresh air, usually near the sea, rivers, or mountains, ensuring the quality of facilities, equipment, and necessary services to meet the needs of vacation, entertainment, and sightseeing of customers.
- Floating hotel means tourist accommodations anchored on the water surface and can be moved when necessary, ensuring the quality of facilities, equipment, and necessary services to serve customers.
- Motel means tourist accommodations built near the traffic road, with a parking lot to serve the lodging demand of tourists using road transports (motorcycle, car) to travel or rest between long distances of tourists, ensure the quality of facilities, equipment and services necessary to serve the demand of customers.

In addition, Vietnamese law sets minimum conditions for technical infrastructure and services for hotels, specifically:

- A minimum of 10 bedrooms; a reception desk, a shared bathroom;
- A place to park for guests at resorts and roadside hotels;
- A kitchen, dining room, and food service for resorts, floating hotels, and roadside hotels;
- Beds, mattresses, blankets, pillows, face towels, and bath towels; replace mattress covers, blankets, pillows, face towels, and bath towels when new customers arrive;
- Staff is available 24 hours a day.