



# COMPARISION TABLE

*The conditions for establishing  
Branches, Representative  
Offices, and Companies with  
100% foreign capital for Foreign  
Investors*

**March, 2024**

# CRITERIA TO COMPARE

STT	Criteria
1	Business sector
2	Name
3	Conditions
4	Competent authorities
5	Required documents
6	Processing time
7	The Head of the representative office or branch/ The legal representative

# BUSINESS SECTOR

## BRANCH

- Branches provide services in service sectors, excluding service sectors in which the establishment of Branches in that field is regulated in specialized legal documents.
- When the Branch operates in sectors that are required by law to have conditions, the Branch may only operate when it meets the prescribed conditions.

*(Article 31 Decree no. 07/2016/ND-CP)*

## REPRESENTATIVE OFFICE

The operations of a representative office shall be solely confined to the conduct of liaison activities, market research, and promotion of its head office's businesses, excluding services for the establishment of a representative office in which is specified in specialized legislative documents.

*(Article 30 Decree no.07/2016)*

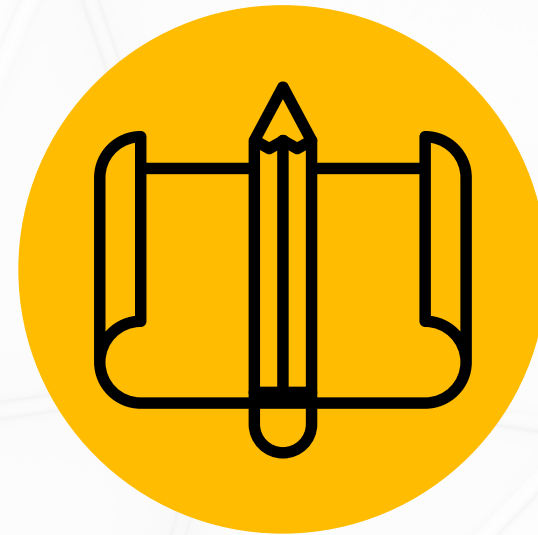
## COMPANY WITH 100% FOREIGN CAPITAL

The company can operate in all business sectors, except for the banned business sectors in Article 6 of the Investment Law, or the business sectors that have not yet had market access as in Appendix I Decree 31/2021/ND-CP.

# REGISTING NAME



## BRANCH



## RO



## COMPANY WITH 100% FOREIGN CAPITAL

- *Representative offices or branches shall be named using letters in Vietnamese alphabet, letters F, J, Z, and W, numbers, and symbols.*
- *The nameplate of every representative office or branch shall be put up at their office. The size of the name of the representative office or branch printed in their transaction documents, records, and publications shall be smaller than that of its head office.*

*(Article 29 Decree no.07/2016/ND-CP)*

The name of a Branch shall be the name of its head office enclosed with the phrase "branch"  
*(Article 29 Decree no.07/2016)*

The name of a Representative Office shall be the name of its head office enclosed with the phrase "representative office"  
*(Article 29 Decree no.07/2016)*

The name must include: (i) Company type and (ii) Personal name  
*(Articles 37, 39 of the Enterprise Law)*

# CONDITIONS TO ESTABLISH A BRANCH

- The foreign trader is incorporated and registers the business in accordance with provisions of laws of the countries or territories being parties to treaties to which Vietnam is a signatory or is recognized by the aforesaid countries or territories;
- The foreign trader has come into operation for at least 5 years from the date of establishment or registration;
- In the case when the Enterprise Registration Certificate or equivalent document of a foreign trader stipulates an operating term, that term must be at least 1 year from the date of submission of the application;
- The scope of operation of the branch conforms to Vietnam's Commitments to market access stipulated in treaties to which Vietnam is a signatory shall be consistent with lines of business of the foreign trader;
- Where the businesses of the representative office is inconsistent with Vietnam's Commitments or the foreign trader is not located in a country or territory that is party to treaties to which Vietnam is a signatory, the representative office can be established only if they obtain the prior consent to establish the representative office from the relevant Minister.

*(Article 8 Decree no.07/2016/ND-CP)*



# CONDITIONS TO ESTABLISH A RO

- The foreign trader is incorporated and registers the business in accordance with provisions of laws of the countries or territories being parties to treaties to which Vietnam is a signatory or is recognized by the aforesaid countries or territories;
- The foreign trader has come into operation for at least 1 year from the date of establishment or registration;
- The Certificate of Business Registration or the equivalent document is valid for at least 1 year from the date of submission of the application;
- The scope of operation of the representative office is consistent with Vietnam's Commitments under treaties to which Vietnam is a signatory;
- Where the scope of operation of the representative office is inconsistent with Vietnam's Commitments or the foreign trader is not located in a country or territory that is party to treaties to which Vietnam is a signatory, the representative office can only be established if the relevant Ministers have given approval for the establishment of the representative office.

*(Article 7 Decree no.07/2016/ND-CP)*



# CONDITIONS TO ESTABLISH A COMPANY WITH 100% FOREIGN CAPITAL

- Meet the market access conditions
- Meet business conditions for conditional business investment sectors



# COMPETENT AUTHORITIES

**BRANCH**

**Ministry of Industry and Trade  
(Article 6 Decree no.07/2016/ND-CP)**

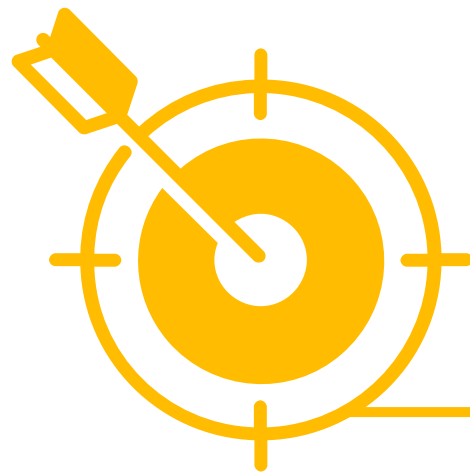
**REPRESENTATIVE  
OFFICE (RO)**

- **The Department of Industry and Trade; or**
  - **Management Boards of industrial parks, export-processing zones, economic zones, or hi-tech zones**
- (Article 5 Decree no.07/2016/ND-CP)**

**COMPANY WITH  
100% FOREIGN  
CAPITAL**

**Department of Planning  
and Investment**





# REQUIRED DOCUMENTS TO REGISTER A BRANCH

- *An application form for a license for establishment of the branch;*
  - *Copies of the foreign trader's Certificate of Enterprise Registration or equivalent documents;*
  - *A letter of appointment of the head of the branch;*
  - *Copies of the audited financial statements or certificates of fulfillment of tax liabilities or financial obligations of the last fiscal year or equivalent documents which prove the existence and operation of the foreign trader, issued or certified by competent authorities where the foreign trader is established;*
  - *Copies of the branch charter;*
  - *Copies of the passport (for foreigners) of the head of the branch;*
  - *Documents regarding the expected location of the Branch headquarters include:*
    - + *Copies of memorandum of understanding (MOU) or leasing agreements or documents as proof of the right to use a location as the branch;*
    - + *Copies of documents regarding the expected location of the branch.*
- \* Foreign documents shall be translated into Vietnamese and certified true in accordance with the laws of Vietnam. Documents related to the legal status of foreign traders shall be certified or legalized by overseas diplomatic missions or Consulates of Vietnam in accordance with the laws of Vietnam.*
- (Article 12 Decree no.07/2016/ND-CP)*



# REQUIRED DOCUMENTS TO REGISTER REPRESENTATIVE OFFICE

- *An application form for a license for establishment of the RO;*
- *Copies of the foreign trader's Certificate of Enterprise Registration or equivalent documents;*
- *A letter of appointment of the head of the RO;*
- *opies of audited financial statements or certificates of fulfillment of tax liabilities or financial obligations of the last fiscal year or equivalent documents which prove the existence and operation of the foreign trader issued or certified by competent authorities where the foreign trader is established;*
- *Copies of the passport (for foreigners) of the head of the RO;*
- *Documents on the expected location of the RO headquarters include:*
  - + *Copies of a memorandum of understanding (MOU) or leasing agreements or documents as proof of the right to use a location as the RO;*
  - + *Copies of documents on the expected location of the RO.*

*\* Foreign documents shall be translated into Vietnamese and certified true in accordance with the laws of Vietnam. Documents related to the legal status of foreign traders shall be certified or legalized by overseas diplomatic missions or Consulates of Vietnam in accordance with the laws of Vietnam.*

*(Article 10 Decree no.07/2016/ND-CP)*



# REQUIRED DOCUMENTS TO REGISTER A COMPANY WITH 100% FOREIGN CAPITAL

## 1. Apply for IRC:

- An application form for execution of the investment project according to Form A-I-1 Circular 03/2021/TT-BKHDT;
- Documents on the investor's legal status (Citizen ID Card, Certificate of Establishment or an equivalent document);
- Documents proving the investor's financial capacity (financial statements from the last 2 years);
- Proposal for investment project according to Form A-I-4 Circular 03/2021/TT-BKHDT;
- A copy of the document regarding the land use rights or other document identifying the right to use the location in order to execute the investment project;
- An explanation of the technology to be used in the investment project if the project requires appraisal and collection of opinions on the technology (if any);
- Power of authorization (if any).

*(Clause 1, Article 36, Decree 31/2021/ND-CP; Clause 1, Article 33 of the Investment Law).*

## 2. Apply for ERC:

- An application form for enterprise registration;
- The company charter;
- Notarized copy of a document about the legal representative's legal status;
- Notarized copy of a document about the company owner's legal status;
- Notarized copy of Investment Registration Certificate (IRC);
- Power of authorization and Notarized copy of a document about the authorized representative's legal status (if any);
- List of members or shareholders (for Limited Liability Company with 2 or more members or Joint Stock Company).

*(Article 21 – Article 24 of Decree 01/2021/ND-CP)*



# PROCESSING TIME

## Branch

## Representative Office

The licensing agency shall examine the application and in the case of an incomplete application request the applicant to complete it application within 3 working days of the date when it was received by the agency. A request to supplement the application shall be made only once during the processing of the application.

the licensing agency shall send the applicant a written notification of whether the license or establishment of the branch is granted or not within 7 working days of the date of receipt of the valid application.

In case of rejection, the licensing agency shall send the applicant a written notice in which the reasons for rejection shall be specified.

*(Article 13 Decree no.07/2016/ND-CP)*

## Company with 100% foreign capital

### 1. IRC:

- Project investment policy approval: 5 working days from the date of receiving the investment policy approval document concurrently with investor approval
- Projects not subject to investment policy approval: 15 days from the date of receiving the investor's request for an Investment Registration Certificate.

*(Clause 1, Article 38 of the Investment Law)*

### 2. ERC:

3 working days from the date of receipt of application

In case the dossier is not valid, DPI will notify the enterprise in writing of the content that needs to be amended or supplemented.

In the case of a refusal to register, a written notice will be sent to the business founder, clearly stating the reason.

*(Article 26 of the Enterprise Law)*

# THE HEAD OF THE REPRESENTATIVE OFFICE OR BRANCH

## BRANCH

## REPRESENTATIVE OFFICE

- The Head of the representative office or branch shall be responsible for his/her action and the operation of the representative office or branch to his/her head office for which they have power of attorney.
- The Head of the representative office or branch shall be responsible for his/her action and the operations when carrying out activities outside the scope authorized by the foreign trader.
- In the absence of the head of the representative office or branch from Vietnam, he/she shall grant the power of attorney to another person. The power of attorney shall be made with the prior consent of the head office. However, the head of the representative office or branch shall be responsible for exercising rights and obligations specified in the power of attorney.
- Upon the expiry of the power of attorney, if the head of the representative office or branch has yet to return and no additional power of attorney is made, the current authorized person shall be eligible for exercising rights and obligations as the head of the representative office or branch within the scope of authorization until the head of the representative office or branch returns or the head office appoints another person as the new head of representative offices or branch.
- If the head of representative offices or branch from Vietnam is absent from Vietnam for a period of longer than 30 days without any authorization, or if the head representative offices or branch is dead, missing, detained, sentenced to prison or has no capacity for action, the head office shall appoint another person as the new head of the representative office or branch.

*(Article 13 Decree no.07/2016/ND-CP)*

# THE HEAD OF THE BRANCH OR RO/ THE LEGAL REPRESENTATIVE

BRANCH	REPRESENTATIVE OFFICE	COMPANY WITH 100% FOREIGN CAPITAL
<p>The head of a branch shall not concurrently hold the following titles:</p> <ul style="list-style-type: none"> <li>◦ The head of a RO of the same foreign traders;</li> <li>◦ The head of a RO of another foreign trader;</li> <li>◦ The legal representative of a business organization incorporated in accordance with Laws of Vietnam.</li> </ul> <p><i>(Clause 8, Article 33, Decree 07/2016/ND-CP)</i></p>	<p>The head of a RO shall not concurrently hold the following titles:</p> <ul style="list-style-type: none"> <li>◦ The head of a branch of the same foreign traders;</li> <li>◦ The head of a branch of another foreign trader;</li> <li>◦ The legal representative of the same foreign trader or others;</li> <li>◦ The legal representative of a business organization incorporated in accordance with Laws of Vietnam.</li> </ul> <p><i>(Clause 6, Article 33, Decree 07/2016/ND-CP)</i></p> <p><b>Notes:</b> If the head office authorizes the head of the representative office to sign, adjust or supplement contracts, the head office shall grant the power of attorney for each conclusion, adjustment, and supplementation.</p>	<p>Enterprises must ensure that they always have at least one legal representative residing in Vietnam.</p> <p><i>(Article 12 of the Enterprise Law)</i></p>

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