

About UOB and our FDI Advisory Unit

UOB is a leading bank in Asia with a global network of more than 500 branches and offices in 19 countries and territories in Asia Pacific, Europe and North America. In Asia, we operate through our head offices in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, as well as branches and offices across the region.

Established in 2011, UOB was the first bank in Southeast Asia to set up a dedicated Foreign Direct Investment (FDI) Advisory Unit to help companies with their market entry by providing deep in-market insights and access to the Bank's partner ecosystem comprising regional government agencies, trade and business associations. UOB has ten FDI Centres located in China, Hong Kong SAR, India, Indonesia, Japan, Malaysia, Myanmar, Singapore, Thailand and Vietnam.

About Vietnam's FIA and IPCs

The Foreign Investment Agency (FIA) is an organisation that belongs to the Ministry of Planning and Investment (MPI). The agency is commissioned to advise the Minister of Planning and Investment, to implement state management functions related to foreign direct investment activities in Vietnam and Vietnam's direct investment activities abroad.

Investment Promotion Centres (IPC) –Southern and Northern Vietnam (IPCS and IPCN) are units under FIA, which in turn belongs to the MPI, perform functions of promoting investment into the South, Central and North of Vietnam. The IPCs have a representative office in Da Nang set-up, to support foreign investment into the Central of Vietnam.

For more information, please visit <https://fia.mpi.gov.vn/en> or <https://ipcs.mpi.gov.vn/en/home/>

For more information



Please visit our website
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RIGHT BY YOU



Quick guide to investing in Vietnam

This brochure is designed to provide businesses with an overview of foreign direct investments into Vietnam. The information contained in this brochure is based on certain assumptions and analysis of known data and reflects prevailing conditions as at June 2021, all of which are subject to change at any time without notice. It is not to be relied upon as advice or recommendation to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. The information should be considered with professional advice when deciding if an investment is appropriate. UOB makes no representation or warranty, whether express or implied, with regard to the accuracy or completeness of the information contained in this brochure and shall bear no liability or responsibility to any person(s) or entity regarding any loss or damage incurred, or alleged to have been incurred, directly or indirectly, by the reliance on information contained in this brochure, and shall not be responsible for any errors, inaccuracies or omissions.



Tax and Incentive

20%

Standard Corporate tax rate (CIT) in Vietnam

5-35%

Personal Income Tax*

*Employment income for Tax resident

Examples of projects entitled to investment incentives

- Incentives granted are based on regulated encouraged sectors, locations and size.
- Incentives vary from 10 per cent, 15 per cent and 17 per cent and last for 10 years, 15 years or the whole investment period.

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Large manufacturing project incentives

- CIT rate of 10 per cent applicable for 15 years.
- Large manufacturing projects with investment capital of at least VND 6,000 billion being disbursed within 3 years from the date of investment licence, and no later than 3 years from the year generating revenue, meeting one of the following conditions:
 - having at least 3,000 full-time employees or;
 - making at least VND 10,000 billion in revenue per year

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Special investment incentives

- CIT rate from 5 to 10 per cent applicable for 15 to 37.5 years.
- CIT exemption duration not exceeding 6 years.
- Period of reduction of 50 per cent of preferential CIT not exceeding 13 years.
- Special preferential investment projects can apply for the relevant incentives if either criteria 1 or criteria 2 are met:
 - Criteria 1: Investment projects to establish innovation centres or research and development (R&D) centres with total investment from VND 3,000 billion and at least VND 1,000 billion disbursed within 3 years.
 - Criteria 2: Investment projects in the business line eligible for special investment incentives with total investment from VND 30,000 billion and at least VND 10,000 billion disbursed within 3 years.

Permitted Foreign Shareholding

A public company in Vietnam can have 100 per cent foreign ownership, unless it operates in a business line conditional for foreign investments, in which case the foreign ownership cap will be prescribed by law or, in the absence of any cap specified under the law, a 49 per cent foreign ownership cap will apply.

Quick steps on Investment Process



Phase 1:

Preparation of investment licence from the Provincial Department of Planning and Investment (DPI) or Management Authority of Industrial Zones.

Task

Preparation of investment licence

Pre-requisite documents

- ☐ Application forms with project details from investor
- ☐ 2 years financial statements, or commitment of financial support from parent company or financial institutions or guarantee from investor's financial capacity
- ☐ MOU or contract on land or office leasing
- ☐ Business corporation contract
- ☐ Personal identification (passport or ID card)



Phase 2:

Application for Investment Registration Certificate (IRC) from DPI or Management Authority of Industrial Zones

- Estimated 15 days for general projects
- Estimated 40 days for projects which require Investment In-Principle Approval from Provincial People's Committee
- Estimated 45 days for major projects which require Investment In-Principle Approval from Prime Minister



Phase 3:

Application for Enterprise Registration Certificate (ERC) from DPI

- Estimated 3 business days



Phase 4:

Start business



About UOB and FIA Collaboration

United Overseas Bank (UOB) has signed a Memorandum of Understanding (MOU) with Vietnam's Foreign Investment Agency (FIA) since 2015, as part of the joint effort to promote foreign direct investments into Vietnam.

Under the collaboration, FIA will provide dedicated resources at their Investment Promotion Centres (IPCs) located in North, Central and South Vietnam to work directly with UOB's Foreign Direct Investment (FDI) Advisory Unit to assist companies looking to invest into Vietnam.



Supported by:

