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IN VIETNAM



Important changes to visas and work
permits as of July 2020 and January 2021

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The government has adopted amendments to the Vietnamese immigration law, which will enter into force on 1 July 2020. In addition, a new labor law will enter into force on 1 January 2021, which will contain innovations concerning work permits in particular. There is also a draft decree with supplementary regulations to the new Labor Code. In many respects, the new visa and work permit regulations will facilitate the procedure and make it more favorable for foreigners. On the other hand, however, the regulations are sometimes more restrictive and allow for the authorities to monitor the status of foreign workers more effectively.



Changes in Immigration Law

1. CHANGING OF VISA CATEGORY WITHOUT LEAVING VIETNAM

At present, if a visa has to be changed to another category, a foreign national must first leave Vietnam and may then re-enter with the new visa. This policy has been eased, and a visa can be changed without leaving Vietnam in the following circumstances:

- Being an investor or a representative of a foreign organization investing in Vietnam;
- Being a parent, spouse or child of the guarantor;
- Being invited or guaranteed to enter Vietnam for employment and granted a work permit or work permit exemption;
- Entering Vietnam under an e-visa and then being granted a work permit or work permit exemption.

The above amendment will allow a more efficient immigration procedure and also save costs for employers.

2. VISA-FREE ENTRY AND ENTRY / EXIT

For foreign nationals from the list of countries to which Vietnam has granted visa-free entry, e.g. Germany, it is no longer necessary for the entry date to be at least 30 days after the previous departure (“30-day cooling-off period”).

3. RESIDENCE TERM FOR TOURISTS

The amended Immigration Act generally provides for a maximum stay of 30 days for foreign tourists. Previously, this used to be up to 90 days. The rationale behind this could be the intention to limit work activities with a tourist visa.

4. E-VISA

Individuals or organizations inviting or sponsoring foreigners may choose to send an application for issuance of visas for foreigners and receive a response via electronic transaction at websites for immigration. According to the Resolution 79/ND-CP, there are 80 countries whose citizens are eligible to apply for e-visa, 33 ports (including sea ports and land ports) that allow foreigners to enter & exit by e-visa.

5. VISA EXEMPTION FOR COASTAL ECONOMIC ZONES

The government may allow coastal economic zones to apply for visa exemptions if certain conditions, e.g. the existence of international airports, are fully met. At present, Phu Quoc has fully met the conditions.

Changes in Labor Regulations Regarding Work Permit

1. HIGHER THRESHOLD FOR INDIVIDUAL INVESTORS TO ENJOY WORK PERMIT EX-EMPTION

Currently, individual investors investing in the establishment of enterprises in Vietnam are subject to work permit exemptions regardless of their participation in such enterprises. The new law stipulates a threshold for such an exemption amounting to 5 billion Vietnamese dong (equivalent to approximately USD 215,000) for the amount invested in an individual's equity. Foreign investors will also be issued visas and temporary residence cards with a duration of one to 10 years depending on the amount invested.

2. WORK PERMIT EXEMPTION IN CASE OF MARRIAGE TO A VIETNAMESE

A foreign national married to a Vietnamese citizen can be exempted from a work permit. This regulation is completely new.

3. WORK PERMIT EXEMPTION

Experts, managers, executives or specialized technicians who work in Vietnam for less than 20 days are exempt from the work permit. The 30 / 90 rule, which as a result allowed for 90 days without a work permit, has thus been abolished and replaced by the 20-day rule.

4. WORK PERMIT EXEMPTION

The draft regulation removes the work permit exemption that applied to the internal transfer of workers in 11 business sectors, e.g. IT and construction. All foreign employees must now apply for a work permit in case of internal transfers.

5. WORK PERMIT DURATION

Work permits are issued for a maximum of two years. It is not allowed to use a visa with category “DL” (tourist-visa) to apply for a work permit. The new regulation provides that each work permit can only be extended once for two years. Until now, there was no limit to the number of work permit renewals. After the maximum period having expired, a new work permit must be applied for again, which increases the workload and costs.



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