Vietnam's Visas and Work Permit Procedures

- Vietnam amended the Law on Entry, Exit, Transit, and Residence of Foreigners in Vietnam resulting in some changes to immigration, visas, and work permits.
- Among the changes, the amendment classifies a new type of investment visa based on capital and industries, changes of visa type, and additional visa exemption conditions for investors.
- Vietnam Briefing highlights the changes in the law, which took effect on July 10, 2020.

Vietnam amended the *Law on Entry, Exit, Transit, and Residence of Foreigners in Vietnam* (the Immigration Law) which came into force on July 10, 2020.

While the law came into effect in July, Vietnam has barred the entry of foreigners and suspended regular commercials flights since March 25 due to <u>COVID-19</u>. However, Vietnam has <u>allowed the entry</u> of diplomats, foreign experts, business managers, investors, and high-skilled workers. Nevertheless, flights into Vietnam are extremely limited at this time.

Vietnam's visa and work permit procedures can be confusing for first-time visitors. Vietnam Briefing explains the steps and what foreigners should pay attention to when planning a long-term visit.

The number of foreign skilled workers coming to Vietnam has steadily increased in recent years, surging to over 80,000 at the end of 2018. Most foreign workers that come to Vietnam are employees of foreign contractors, working for, or establishing, <u>foreign</u> <u>direct investment</u> (FDI) projects, coming from over 100 countries.

A Vietnamese entity is permitted to recruit foreign workers in order to work as managers, executive directors, and experts where local hires are not yet able to meet production and business requirements. Unlike in certain other Asian countries, Vietnamese representative offices are also able to hire staff directly.

To demonstrate the necessity of a foreign employee, 30 days prior to recruiting the foreign employee, the entity must publicly announce recruitment for this position to Vietnamese job seekers in a Vietnamese newspaper or online portal.

Evidence of this announcement must be presented in the application for a work permit for a foreign employee. The other option is to recruit foreigners through a governmentowned employment service center.

When hiring foreign staff in Vietnam, there are a number of procedures and legal frameworks that must be understood.

Types of visas

In order to enter Vietnam, a foreigner needs a visa issued by the Vietnamese Embassy or Consulate. A Vietnamese visa can be granted while in a third country or from within Vietnam. Citizens of the following countries can receive a free entry visa to Vietnam for the duration listed below:

- ASEAN countries: from 14 to 30 days;
- Chile: 90 days; and
- Belarus, Denmark, Finland, France, Germany, Italy, Japan, Norway, Russia, South Korea, Spain, Sweden, and the UK (British citizens only): 15 days (the gap of at least 30 days in between two visa-free entries has been removed as per the new immigration law.)

In addition, Vietnam also updated the processes and procedures for the <u>e-visa system</u>, allowing a single-entry visit with a duration of up to 30 days, for 81 nationalities. As per the new Immigration Law, the prescribed processing time for e-visa is three working days after completing registration and fee payment.

However, to work in Vietnam and remain for an extended period, foreigners need to apply for a longer-term three-month single or multiple entry visas.

Relevant visa types include:

Vietnam Visa Types			
Visa		Description	Validity
DL		Tourist visa	3 moths
HN		Meetings/Conferences	3 months
LD	LD1-2	Foreign workers/Working visa	2 years
LV	LV1-2	Working with Vietnamese authorities	
LS		Lawyer visa	5 years
DT	DT1* (New)	Investor visa issued for investors with total investment capital over US\$4.35 million, or into 'prioritized' sectors, professions, geographical areas determined by the government	5 years
	DT2	Investor visa issued for investors with total investment capital from US\$2.17 million to US\$4.35 million, or into 'encouraged' sectors, professions, geographical areas determined by the government	5 years
	DT3	Investor visa issued for investors with total investment capital between US\$130,500 - US\$2.17 million	3 years
	DT4	Investor visa issued for investors with total investment less than US\$130,500	12 months
DN	DN1-2	Working with Vietnamese businesses	12 months
EV		Electronic visa	30 days
NN	NN1-2	Chief Representative Office in Vietnam, Head of Project Office of foreign NGO	12 months
	NN3	NGO Staff, Representative Office	12 months
DH		Student/Internship	12 months
NG	NG1-4	Diplomatic visa	12 months
PV	PV1-2	Press and foreign correspondents	12 months
тт		Dependents of holder of LV1-2, DT1-3, NN1-2, DH, PV1, LD1-2, LS	12 months to 3 years

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A new visa type (DT1) is added for foreign investors with contributed capital over VND 100 billion (or US\$4.35 million). With a DT1 visa, investors can apply for a temporary residence card with a duration of up to 10 years.

Visa type conversion

The new Immigration Law also allows the conversion of visa types for another purpose without having to leave Vietnam as required by the old regulation. The following cases are eligible for visa type change:

- Investors and representative of a foreign organization investing in Vietnam;
- Dependents of Vietnamese citizens; and

• Being invited or guaranteed by agencies or organizations, and having a work permit or work permit exemption certificate.

A new visa will be granted following a converting visa application.

Additional case for visa exemption

The new Immigration Law adds to the list one more case of visa exemption for foreigners entering border-gate or coastal economic zones, under the decision of the government. The coastal zone needs to meet the following conditions:

- Having an international airport and a separate space (definite boundaries and separated from the mainland);
- In accordance with the socio-economic development policy; and
- Does not pose a threat to national security, defense, social order, and safety.

This type of visa exemption is valid for 30 days.

Work permit procedures and requirements

A work permit is required when working in Vietnam for more than three months. This should ideally be applied 15 days by the employer with the provincial <u>Ministry of Labor</u>, <u>Invalids and Social Affairs</u> (MoLISA) before the foreign worker commences their employment. Work permit processing times take up to 10 business days. A work permit cannot be applied directly by the workers/foreigners, but with the assistance of their employers from Vietnam.

A work permit is required to apply for a temporary residence card or a working visa in Vietnam. Under the new <u>Labor Code 2019</u> that will take effect in 2021, work permits will be issued for a period of up to two years and restricted to only one renewal.

To be eligible for a work permit, the applicant must comply with the following conditions:

- At least 18 years of age;
- In good enough health to satisfy job requirements;

- A manager, executive director or expert with technical skills and knowledge necessary for the job; and
- Not currently subject to criminal prosecution or any criminal sentence in Vietnam or overseas or have a criminal record.

Currently, work permits for foreigners are valid for a maximum of two years and are not renewable. A new application must be made if the company wishes to continue employing the foreign worker.

A work permit may be terminated in the following circumstances:

- Expiration of work permit;
- Termination of labor contract;
- The content of the labor contract is not consistent with the work permit granted;
- If the foreign employee is fired by the foreign employer;
- Withdrawal of work permit by authorized state agencies;
- Termination of operation of the company, organization, and partners in Vietnam; and
- The foreigner is sentenced to prison, dies, or is proclaimed missing by the court.

In certain circumstances, a foreigner may work in Vietnam without a work permit, but they need to apply for a work permit exemption certificate. This certificate is equivalent to the work permit, valid for up to 2 years, and also serves as a basis to apply for a temporary residence card.

A notice must be submitted seven days in advance to the provincial MoLISA prior to working in Vietnam.

As per Article 154 <u>Labor Code No.45/2019/QH14</u>, the following categories are exempt from work permits:

- An owner or capital contributor of a limited liability company with capital contribution value met by the government regulations;
- Chairman of the Board of Directors or a member of the Board of Directors of a joint-stock company with capital contribution value met by government regulations;

- Heads of representative offices, chiefs of project offices, or someone working for a foreign non-government organization in Vietnam;
- Working in Vietnam for less than three months;
- Coming to Vietnam for less than three months in order to resolve an emergency or a technologically complex situation that could affect production, which Vietnamese experts or foreign experts currently in Vietnam are unable to resolve;
- Lawyers granted a professional permit in Vietnam;
- Cases under the provisions of an international treaty to which Vietnam is a signatory;
- Foreigners who marry Vietnamese people and live in the Vietnamese territory; and
- Other specific cases allowed by the government.

Vietnamese authorities are becoming stricter regarding work permits. Those who violate the regulations by working in Vietnam without a work permit may be penalized or, if unable to meet work permit requirements, deported back to their home countries within 15 days. In addition, the employer's operations may be suspended for three months with a possible penalty of up to US\$3,300.

Temporary residence cards

Foreigners who hold work permits valid for one year or more, as well as a holder of work visas, members of management boards of directors, heads of company branches, and Chief Representatives of representative offices of foreign enterprises in Vietnam, can be granted a Temporary Residence Card (TRC).

A TRC is issued by the immigration agency under the <u>Ministry of Public Security</u>, and is valid from one to ten years, depending on the visa type. As per new Immigration Law, the duration of each investor visa type of TRC is based on the amount of contributed capital, as follows:

- TRC DT1 visas: up to 10 years;
- TRC NG3, LV1-2, LS, DT2 and DH visas: up to 5 years;
- TRC NN1-2, DT3, and TT visas: up to 3 years; and
- TRC LD1-2, and PV1 visas: up to 2 years.

Investors using a DT4 visa (with a capital investment of less than VND 3 billion, or US\$128,800) are not eligible for a TRC.

Expired TRCs will be considered for granting new cards. The validity of TRC is shorter than the remaining validity of the passport by at least 30 days.

Foreign employees with a TRC can enter and exit Vietnam without a visa within the valid terms of their TRC. The processing time typically takes five working days while the fee varies between US\$80 to US\$120 depending on the duration of the card.

Permanent residence cards

An expatriate who has a legal residence while earning a living in Vietnam may also apply for a Permanent Residence Card (PRC); however, they are subject to the following conditions:

- The expat works for the development of Vietnam and is awarded a medal or title by the government;
- The expat resides temporarily in Vietnam for three or more consecutive years and is sponsored by his parent, spouse, or child who is a Vietnamese citizen and has a permanent residence in Vietnam; and
- Foreign scientists or experts recommended by the head of a ministerial or government agency.

The processing time typically takes five working days with a fee of US\$100. A PRC holder can stay in Vietnam without a visa however, a PRC must be re-issued every 10 years.

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