

Legal Update

December 2019



Amended Law on immigration and residence of foreigners in Vietnam

The National Assembly has recently promulgated the Amended Law on Immigration and Residence of Foreigners in Vietnam through Law No. 51/2019/QH14 dated 25 November 2019 which will come into effect on 01 July 2020 ("**Amended Immigration Law**"). Some important changes are highlighted below.

1. Change of immigration purpose

Under the current immigration regulations, the immigration purpose under a granted visa cannot be changed, which creates an administrative obstacle for foreigners, especially for those who have (or come to have a) business in Vietnam. To provide a more efficient immigration procedure that caters for foreigners coming to Vietnam for business purposes (or come to have a business purpose during their stay in Vietnam), the Amended Immigration Law allows four circumstances under which an existing visa holder is permitted to change their immigration purpose:

- Being an investor or a representative of a foreign organisation 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; and
- Entering Vietnam under an e-visa and then being granted a work permit or work permit exemption.

The procedure for change of the immigration purpose will follow the existing procedures for issuance of a new visa but the foreigner is not required to leave the country and re-enter Vietnam as before.

2. More control over residency of foreign tourists

By law, foreign tourists entering Vietnam under a tourist visa (known as a DL visa) are not allowed to work or do other business activities. However, it has been observed in practice that a number of foreigners entering Vietnam under a DL visa are working in violation of the regulations on immigration and employment. To allow for more effective administration of foreign tourists in Vietnam, the

Amended Immigration Law sets out a maximum residence term of 30 days for foreign tourists irrespective of the duration of their DL visa.

However, foreign tourists may apply to extend their residency term if necessary. The procedure for extension of residency term will follow the normal procedure as provided by law but the relevant immigration authority will re-assess the immigration purpose of the tourists.



3. Greater clarity on work visa (i.e. DN visa and LD visa)

According to the current regulations on immigration, a DN visa is granted to a foreigner entering Vietnam to "work with" an enterprise and a LD visa is granted to a foreigner entering Vietnam to "work for" an enterprise. These definitions of DN visa and LD visa are quite confusing and cause misunderstanding in application.

To align with the regulation on conditions for foreigners entering Vietnam for working, the Amended Immigration Law provides a greater clarity on DN visa and LD visa as follows:

- DN1 visa is granted to foreigners entering Vietnam to "work with" enterprises and other organisations having legal status;

- DN2 visa is granted to foreigners entering Vietnam to offer services, establish commercial presences and do other activities in accordance with the international treaties to which Vietnam is a member;
- LD1 visa is granted to foreigners entering Vietnam and working under work permit exemption cases; and
- LD2 visa is granted to foreigners entering Vietnam and working under work permit certificates.

The duration of DN1 visa and DN2 visa is up to 12 months while the duration of LD1 visa and LD2 visa is up to 2 years.

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