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New Regulations on Foreign Workers in Vietnam

On 8 October 2018, the Government issued Decree No. 140/2018/ND-CP (“[Decree No. 140](#)”) to amend and supplement existing decrees on investment conditions and administrative procedures under the authority of the Ministry of Labour, Invalids and Social Affairs (“[MOLISA](#)”). In particular, Decree No. 140 changes some of the regulations on foreigners working in Vietnam under Decree No. 11/2016/ND-CP dated 3 February 2016 (“[Decree No. 11](#)”).

This update focuses on the following key changes introduced by Decree No. 140:

i. [Faster approval process for foreign worker work permits](#)

Decree No. 140 no longer singles out the Chairman of the provincial People’s Committee as the only authorising body for a majority of foreign worker work permits. Instead, according to the newly issued regulations, the provincial People’s Committee themselves have authority to approve work permits for foreign workers, making the approval process more efficient. Decree No. 140 also accelerates the timeline for the authority to issue the work permit from within 7 business days to within 5 business days.

ii. [More categories of foreign workers are exempted from work permit requirement](#)

Decree No. 140 has extended the list of exemptions from obtaining work permits to include those who are responsible for establishing a commercial presence in Vietnam, which includes:

- an economic organisation having foreign investment capital;
 - a representative office or branch of a foreign trader; and
 - an operating office of a foreign investor as stipulated in a business cooperation agreement.
- The introduction of additional exemptions is especially good news for foreign investors looking to establish businesses in the country.

iii. [Relaxed documentation requirements](#)

Foreign workers need no longer submit certified true copies of their passports or valid documentation in lieu of passports when applying for foreign worker work permits. Under the new regulations, foreign workers need only submit a standard copy of such document(s) to the relevant authority.

iv. [MOLISA to be given more authority to approve work permits](#)

MOLISA now plays a more active role under Decree No. 140. According to the new regulations, enterprises that have representative offices and branches located in provinces beyond that of their head office may choose to apply for work permits directly through MOLISA.

In summary, Decree No. 140 is consistent with MOLISA’s intention to improve the regulation of foreign workers in Vietnam. The changes introduced by Decree No. 140 also prove the Government’s commitment to advancing business opportunities in the country.

Decree No. 140 is currently in effect.

If you have any questions or require any additional information, you may contact [Phuong Nguyen](#), [Tri Pham](#) or the ZICO Law partner you usually deal with.

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