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Voluntary - Public

**Date:** 7/29/2010

**GAIN Report Number:** VN0049

## **Vietnam**

Post: Hanoi

# **New Automatic Import License Requirement (Circular 24)**

### **Report Categories:**

Livestock and Products

Fishery Products

**Agricultural Situation** 

Agriculture in the Economy

Wine

Dairy and Products

Grain and Feed

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#### **Report Highlights:**

On May 28, 2010, the Ministry of Industry and Trade (MOIT) published Circular 24, which requires local importers to obtain an automatic import license (AIL) from the Government of Vietnam (GVN) before any shipment can unload at any Vietnamese port. MOIT does not charge a fee for issuing the AIL. Circular 24 entered into force (EIF) on July 12, 2010.

# **General Information: Background**

Prior to Circular 24, MOIT's Decision 24/2008/QD-BCT, dated August 01, 2008, required AILs for a wide range of food and agricultural products. However, it was only in effect during September 1, 2008 - December 31, 2008, after which it was revoked (reportedly due to uniform complaints from importers). MOIT subsequently replaced Decision 24 with Circular 17/2008/TT-BCT, dated December 12, 2008. Circular 17 did NOT include agricultural products and entered into force January 4, 2009. Circular 17 remained in effect until July 12, 2010, at which time it was replaced by the new Circular 24 which, like the previous Decision 24, covers a wide range of food and agricultural products.

#### **Product Coverage**

Broad in scope, Circular 24 applies to select agricultural products from Chapters 2, 3, 16, 17, 18, 19, 20, 21, and 22 of the Harmonized System. Key products include all meat and edible meat offal; live fish (except for breeding); fresh, frozen, chilled, dried, salted or in brine, smoked, minced, and whole fish; crab; mollusks; processed meat (sausage); meat, fish, crustacean, or mollusk extract or juices; caviar or caviar substitutes; confectionary items including sugar; chocolate or items including cocoa; preparatory items for pastries; pastas; tapioca and its derivatives; cereal goods (corn flakes); breads, pastries, cakes, and biscuits; extracts, essences, and concentrates of coffee or tea; sauces and seasonings; soups and broths; ice cream and other edible ice; bottled water; beer; wine; vermouth; all fermented beverages; all spirits; and all vinegars.

#### **Process**

In order to obtain the AIL, importers must send the following documents by mail to MOIT headquarters in Hanoi, or to the MOIT Representative Office's headquarters in Ho Chi Minh City: 1. a written application for registration (Appendix 2); 2. the business registration certificate; 3. the import contract; 4. a commercial invoice; 5. a Letter of Credit or payment document; and 6. a bill of lading.

Once this information is received by the respective MOIT office, they are supposed to issue the AIL within seven working days. However, since July 12, 2010, there have been numerous industry complaints that the AIL was NOT received within the allotted seven days. The AIL is good for 30 days from the time of issuance. Importers MUST receive a separate license for EACH lot of goods. MOIT does not charge a fee for issuing the AIL.

Prior to the Circular's EIF, Post met with officials from MOIT and Vietnam's Chamber of Commerce to raise concerns about the injurious affect the seven day waiting period would have on highly perishable products (i.e. fresh seafood, chilled meat) arriving by air freight. MOIT subsequently issued an addendum to Circular 24 (Official No: 6864/BCT-XNK) on July 13, 2010, waiving the requirement for a bill of lading for air shipments.

Post continues to discuss with MOIT the negative impact of Circular 24 on U.S. products imported into Vietnam

Attached is an unofficial English translation of Circular 24 and Addendum No: 6864/BCT-XNK.

MINISTRY OF INDUSTRY AND TRADE

SOCIALIST REPUBLIC OF VIETNAM

**Independence - Freedom Happiness** 

No. 24/2010/TT-BCT

#### **CIRCULAR**

# STIPULATING THE APPLICATION OF AUTOMATIC IMPORT LICENSING FOR A NUMBER OF COMMODITY ITEMS

Pursuant to the Government's Decree No. 189/2007/ND-CP of December 27, 2007, defining the functions, tasks, powers and organizational structure of the Ministry of Industry and Trade;

Pursuant to the Government's Decree No. 12/2006/ND-CP of January 23, 2006, detailing the implementation of the Commercial Law regarding international goods trading and goods trading agency, processing and transit with foreign parties;

Pursuant to the Prime Minister's Decision No. 41/2005/QD-TTg of March 2, 2005, promulgating the Regulation on goods import licensing;

The Ministry of Industry and Trade guides automatic import licensing for a number of commodity items as follows:

#### **Chapter I. GENERAL PROVISIONS**

#### Article 1. Scope of governing

- 1. This Circular stipulates the application of the automatic import licensing to importers of goods on the List specified in Appendix 1 to this Circular.
- 2. Goods imported in the following cases shall not be regulated by this Circular and shall be implemented in accordance with the current management regulations:
- a) Goods temporarily imported for re-export, temporarily exported for re-import, transferred out of border gate or transited.
  - b) Imported non-commercial goods.
- c) Goods imported directly for production and processing (including goods imported for assembly, repair or warranty).
- d) Goods imported from abroad into non-tariff areas (including bonded warehouses), and goods produced, processed or assembled in non-tariff areas which are imported into the inland.
  - e) Goods imported for trading at duty-free shops.
  - g) Goods imported for the formation of fixed assets of investment projects under the Investment

#### **Chapter II. AUTOMATIC IMPORT LICENSING**

#### Article 2. Registration for automatic import licensing

- 1. An automatic import license shall be granted to a trader by the Ministry of Industry and Trade (MOIT) in the form of certification of the trader's application for import registration for each goods lot. Particularly for goods imported via land border gates or imported from non-tariff areas into the inland, their import registration shall be certified in accordance with the time.
- 2. An automatic import license shall be valid for 30 days as from the date on which the MOIT certifies.
- 3. The director or a deputy director of the Import and Export Department or the Director General or Deputy Director General of the MOIT's representative office in Ho Chi Minh City shall sign for certification, automatic import registration and use the seal of the MOIT or of its representative office in Ho Chi Minh City.

#### Article 3. Registration for automatic import licensing

- 1. A dossier of registration for automatic import licensing comprises:
- a) A written application for automatic import registration: 2 copies, made according to the form in Appendix 2 to this Circular.
- b) The business registration certificate, the investment certificate or the business license: one copy (appended with the trader's true copy mark).
- c) The import contract or documents equivalent to import contract: one copy (appended with the trader's true copy mark).
  - d) Commercial invoice: one copy (appended with the trader's true copy mark).
- e) L/C or payment document: one copy (appended with the trader's true copy mark); or via-bank payment certification (enclosed with a written request for via-bank payment certification), made according to the form in Appendices 03 and 04 issued in conjunction with this Circular: one original copy.
- g) Bill of lading or transportation document for the goods lot: one copy (appended with the trader's true copy mark).
- 2. In case goods imported via road border gates or imported from non-tariff areas, the trader shall not have to submit the bill of lading or transportation document, but shall have to submit the report on the import of the certified previous import registration application in accordance with the form in Appendix 05 of this Circular.
  - 3. Address of receipt of dossiers of registration for automatic import licensing:
  - The MOIT's headquarters at 54 Hai Ba Trung street, Hoan Kiem district, Hanoi city.
- The MOIT's representative office's headquarters at 45 Tran Cao Van, Ward 6, District III, Ho Chi Minh City.

The MOIT shall propose traders to send the dossiers of registration for automatic import licensing via post-office to the above-mentioned addresses.

#### Article 4. Time-limit for automatic import licensing

- 1. Time-limit for granting an automatic import license shall be 7 working days as from the date on which the MOIT receives full valid dossier from the trade in accordance with Article 3.
- 2. The automatic import license shall be sent to the trade via post-office to the address as specified in the registration application.
- 3. In case where the dossier for registration of import that the trader submits to the MOIT is not sufficient and valid, the Ministry of Industry and Trade shall send notice to the trade via post-office to the address as specified in the registration application.

#### Article 5. Provisions on automatic import licensing when conducting the customs procedure

When conducting the procedure for import, traders shall have to submit the automatic import license already granted by the Ministry of Industry and Trade in conjunction with the import dossier required by the current regulations and shall have to be responsible for implementation of the current regulations on border-gate for customs clearance, import commodity items, goods subject to specialized management and goods that the trading of which is conditional.

#### Article 6. Re-granting, amending and revoking an automatic import license

- 1. In case where the an automatic import license is lost, mislaid or damaged, the trader shall have to send a registration dossier as stipulated in Article 3 and written explanation, to propose the re-granting of license to the Ministry of Industry and Trade. The automatic import license shall be re-granted within 05 working days as from the date on which the Ministry of Industry and Trade receives the full valid dossier from the trader.
- 2. In case where an automatic import license is not lost, mislaid nor damaged, but invalid, the trader shall send a registration dossier as stipulated in Article 3, original copy of the already-grated automatic import license and a proposing document for revoking the already-granted automatic import license and for application for granting a new automatic import license to the Ministry of Industry and Trade.
- 3. In case where it is necessary to amend the contents of already-granted automatic import license, the trader shall send a registration dossier as stipulated in Article 3 (in conjunction with application for new registration already amended), original copy of already-granted automatic import license and written document on explanation and proposing the amendment of the license to the Ministry of Industry and Trade. The amended automatic import license shall be granted within 05 working days as from the date on which the Ministry of Industry and Trade receives sufficient and valid dossier from the trader.
- 4. In case where the already-granted automatic import license is not in accordance with the regulations, the Ministry of Industry and Trade shall withdraw and notify the relevant bodies.

#### **Chapter III. ORGANIZATION OF IMPLEMENTATION**

#### **Article 7. Implementation force**

This Circular shall be of full force and effect from July 12, 2010 and shall replace Circular

17/2008/TT-BCT dated December 12, 2008 of the Minister of Industry and Trade providing guidance on automatic import licensing for a number of commodity items.

#### **Article 8. Transitional provisions**

Automatic import license which has been issued before July 12, 2010 in accordance with Circular 17/2008/TT-BCT dated December 12, 2008 of the Minister of Industry and Trade providing guidance on automatic import licensing for a number of commodity items shall still be valid in accordance with the certified contents.

#### Article 9. Responsibilities for implementation

Concerned traders and organizations should report in writing problems arising in the course of implementation of this Circular to the Ministry of Industry and Trade for timely settlement.

Recipients:

ON BEHALF OF
MINISTER

- Board of Secretaries of Party Central Committee;
- The Prime Minister, deputy Prime Ministers;
- Ministries, ministry-equivalent agencies; Government agencies;
- People's committees of provinces and cities under central authority;
- State President's office;

**Nguyen Thanh Bien** 

**DEPUTY MINISTER** 

- National Assembly's Office;
- The People's Supreme Procuracy;
- The People's Supreme Court;
- Department for examination of legal documents (Ministry of Justice);
- State Audit Agency;
- General Department of Customs;
- Official gazette;
- Website of the Government;
- Minister, vice ministers, Departments, Devisions of the Ministry of Industry and Trade;
- Department of Industry and Trade;
- Website of the Ministry of Industry and Trade;
- Archived at office and Import and Export Department (15)

### Appendix 01

(Issued in conjunction with the Industry and Trade Ministry's Circular No. 24/2010/TT-BCT of May 28, 2010 stipulating the application of automatic import licensing for a number of commodity items)

Heading				Description			
				Chapter 2			
				Meat and edible meat offal			
				The entire Chapter			
				Chapter 3			
				Fish and crustaceans, molluscs and other aquatic invertebrates			
0301				Live fish (except for breeding)			
0302				Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 03.04			
0303				Fish, frozen, excluding fish fillets and other fish meat of heading 03.04			
0304				Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen			
0305				Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption			
0306	14	00	00	Crabs			
0306	24			Crabs			
0307				Molluscs, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; aquatic invertebrates other than crustaceans and molluscs, live, fresh, chilled, frozen, dried, salted or in brine; flours, meals and pellets of aquatic invertebrates other than crustaceans, fit for human consumption			
				Chapter 16			

				Preparations of meat, of fish, of crustaceans, molluscs or other aquatic invertebrates
1601	00	00	00	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products
1602				Other prepared or preserved meat, meat offal or blood
1603				Extracts and juices of meat, fish or crustaceans, molluscs or other aquatic invertebrates
1604				Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs
1605				Crustaceans, molluscs and other aquatic invertebrates, prepared or preserved
				Chapter 17
				Sugars and sugar confectionery
1704				Sugar confectionery (including white chocolate), not containing cocoa
				Chapter 18
				Cocoa and cocoa preparations
1806				Chocolate and other food preparations containing cocoa (Except for HS code 18.06.90.20.00)
				Chapter 19
				Preparations of cereals, flour, starch or milk; pastry cooks' products
1901	10			- Preparations of cereals, flour, starch or milk; pastry cooks' products (except for medical foods)
1902				Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagna, gnocchi, ravioli, cannelloni; couscous, whether or not prepared
1903	00	00	00	Tapioca and substitutes therefor prepared from starch, in the form of flakes, grains, pearls, siftings or in similar forms
1904				Prepared food obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)), in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, not elsewhere specified or included
1905				Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for

				pharmaceutical use, sealing wafers, rice paper and similar products
				Chapter 20 Preparations of vegetables, fruit, nuts or other parts of plants (The entire Chapter)
				Chapter 21
				Miscellaneous edible preparations
2101				Extracts, essences and concentrates, of coffee, tea or maté and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof
2103				Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard
2104				Soups and broths and preparations therefor; homogenized composite food preparations
2105	00	00	00	Ice cream and other edible ice, whether or not containing cocoa
2106	90	10	00	Dried bean curd and bean curd sticks
2106	90	20	00	Flavored or colored syrups
2106	90	30	00	Non-dairy creamer
2106	90	91	00	Preparations containing vitamins or minerals
2106	90	92	00	Preparations made from ginseng
2106	90	94	00	Other food preparations for infant use
2106	90	99	10	Flavoring preparations
2106	90	99	90	Others
				Chapter 22
				Beverages, spirits and vinegar
2201				Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavored; ice and snow
2202				Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored, and other non-alcoholic beverages,

				not including fruit or vegetable juices of heading 20.09
2203				Beer made from malt
2204				Wine of fresh grapes, including fortified wines; grape must other than that of heading 20.09
2205				Vermouth and other wines of fresh grapes flavored with plants or aromatic substances
2206				Other fermented beverages (for example, cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included
2207				Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher; ethyl alcohol and other spirits, denatured, of any strength
2208				Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages
2209	00	00	00	Vinegar and substitutes for vinegar obtained from acetic acid

#### Notes:

- This list is made on the basis of the list of goods and their HS headings under the Preferential Import Tariff promulgated together with the Finance Minister's Decision No. 216/2009/QD-BTC of November 12, 2009.

#### Appendix 02

#### A WRITTEN APPLICATION FOR AUTOMATIC IMPORT REGISTRATION

(Issued in conjunction with the Industry and Trade Ministry's Circular No. 24/2010/TT-BCT of May 28, 2010 stipulating the application of automatic import licensing for a number of commodity items)

.....

NAME OF TRADER

SOCIALIST REPUBLIC OF VIETNAM

No.

Independence - Freedom Happiness

on Registration of import according to automatic import

, dated

Тο٠	Ministry	of Indi	netro	and '	Trade
10:	MIIIISUV	or mu	นรน ข	allu	Haut

_	Name of trader:
•	Name of Hadel

- Address:.....
- Tel.....Fax....
- Registration of business No......

Propose the Ministry of Industry and Trade to certify the import registration according to automatic import licensing as stipulated in the Industry and Trade Ministry's Circular No. 24/2010/TT-BCT of May 28, 2010, details of the goods consignment shall be as follows:

		-	= =	,	Value (USD)	
1						
2						
Im	Import contract No : dated					

Import contract No.: dated
Commercial invoice No.:dated
Bill of lading or transportation document No.:dateddated
Payment document No.:dated or L/C at sight No.:dated
Total quantity/volume:
Total value (USD):
(being converted into USD in case payment is made in other currencies)
Import border-gate:
(If being imported from non-tariff areas, please specify clearly)
Estimated time-limit for conducting import procedure:
(Specifying that estimated from the dateto the date)

Have registered at (or Ho Chi Minh City	the Ministry of Industry and Trade in Hanoi y)	Representative-at-law of the Trader
Dated		(specifying position, signing and
_	for 30 days as from the date on which the $\gamma$ and Trade certifies	affixing seal)
	Annondiy 02	
<i>c</i>	Appendix 03	N 2//2010/EE DOE 1M 20 2010
•	tion with the Industry and Trade Ministry's Circular g the application of automatic import licensing for a	
NAME OF TRADER	SOCIALIST REPUBLIC OF VIETNAM	
No.	Independence - Freedom Happiness	
	, dated	
$\mathbf{W}$	RITTEN REQUEST FOR VIA-BANK PAYMEN	T CERTIFICATION
	To: Bank	
Ministry's Circular No registration of busine	the application dossier for automatic import licensing in 24/2010/TT-BCT of May 28, 2010, Companyss No) requests Bankcertify the payment company, specifically as follows:	(clearly specifying name, address,
1. Details of go	oods lot:	
1. Impo	ort contract No.:	

	2.	Commercial invoice:
	3.	Payment term:
	4.	Total contract value:
2.	Conte	nts requested for certification:
	1.	Our company currently has account No:at Bankat
	2.	At the time of certification, the account balance is
	3.	Latest time-limit for payment via bank is the date of
3.	Comm	itments by the Company:
cei	tifying tl	g that it has enough money to pay for the seller and shall have to make payment via the bank he payment. If the Company commits breaches of these commitments, the Bank may have the right to ortify the goods lots after that without being responsible for other expenses or losses (if any).
ab	_	elf-responsible for arising expenses and before the law for the truthfulness of the contents as declared any complaints or losses which are arisen as a result that we propose the Bank to issue this written a.
3.3	Only us	e this document for completing the application dossier for granting the automatic import license.
Attach	ed with:	REPRESENTATIVE-AT-LAW
Copy	of import	contract (Clearly specifying position, signing and affixing seal)
Copy	of comm	ercial invoice
		Appendix 04
(Issu		njunction with the Industry and Trade Ministry's Circular No. 24/2010/TT-BCT of May 28, 2010 ulating the application of automatic import licensing for a number of commodity items)
NAME	OF BA	NK SOCIALIST REPUBLIC OF VIETNAM
No.		Independence – Freedom Happiness
		, dated
		CERTIFICATION OF VIA-BANK PAYMENT
	_	vritten request for via-bank payment certification No for the goods lot that is imported in accordance with the import contract No of Company(name, address,

1. Company...... currently has bank account No.....at our Bank. At the time of certification, the

registration of business No. ....), Bank hereby certifies as follows:

2	account balance is
۷.	lots in accordance with the import contract No, with total value of the goods lot is
	(write down the amount of money in number and words), in accordance with the payment term is that
	The time-limit for payment via bank is no later than
4.	This certification shall only be valid as long as the end of(specifying the latest date that the Company commits to pay) and only for complete the application dossier for automatic
	import licensing . If the Companyfails to make payment via bank within the time-limit as
	mentioned above, the bank may have right to refuse to certify for the goods lots after that without being responsible for other arising expenses or losses (if any).
5.	This is not the payment commitment that the Bank makes to the seller.
	REPRESENTATIVE OF BANK
(Cl	early specifying position, signing and affixing seal)
	Appendix 05
(Issu	ed in conjunction with the Industry and Trade Ministry's Circular No. 24/2010/TT-BCT of May 28, 2010
	stipulating the application of automatic import licensing for a number of commodity items)
NA	ME OF TRADER SOCIALIST REPUBLIC OF VIETNAM
	Independence – Freedom Happiness
	, dated
	No.:
	REPORT ON THE IMPORT
	(For import goods whose import registration is certified in accordance with the time)
	To: Ministry of Industry and Trade
	Pursuant to the Industry and Trade Ministry's Circular No. 24/2010/TT-RCT of May 28, 2010 stinulating the

Pursuant to the Industry and Trade Ministry's Circular No. 24/2010/TT-BCT of May 28, 2010 stipulating the application of automatic import licensing for a number of commodity items, the trader hereby report on the import, as follows:

Name of goods	HS code (10	Registration number (granted by the	Customs declaration number	Quantity/volume	Value (USD)	quantity	Import value accumulated at the time of
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digital)	Ministry of			at the tir	ne of	report (	USD)
	Industry and			repo	rt		
	Trade when						
	certifying the						
	import						
	registration)						
							]

The trader undertakes that the above-mentioned declarations are truthful.

#### Representative-at-law of the Trader

(specifying position, signing and affixing seal)

**Ministry of Industry and Trade** 

Socialist Republic of Vietnam

No: 6864 /BCT-XNK Subject: Issuance of Automatic Import License for importation of fresh food products shipped by air.

Hà Nội, July 12, 2010

#### To: Customs General Department

Based on comments from industries regarding implementation of Ministry of Industry and Trade (MOIT) Circular No.24/2010/TT-BCT dated May 28, 2010 on "Issuance of Automatic Import License for Numbers of Imported Commodity"; that is effective from July 12, 2010; and in order to insure safety of imported fresh food products, MOIT requests Customs General Department to instruct sub-Customs Departments/Offices to implement the followings:

Automatic Import License for air shipment of imported fresh, frozen food products specified in the list of products regulated in the above mentioned Circular, is certified in the same manner as issuance of Automatic Import License granted for products imported via land ports; and it is described in Item 1, Article 2

and Item 2, Article3 of the MOIT Circular 24/2010/TT-BCT. The details are:

•	The Automatic Import License is valid for 1 month and Customs Office will deduct down by each
	consignment.

• Bill of Lading is exempted from the Dossier applied for Automatic Import License but traders must submit report on implementation of previously granted Automatic Import License by using Form described in Appendix 5, MOIT circular 24/TT-BCT.

Ministry of Industry and Trade respectfully notify and appreciate coordinations from relevant agencies.

Recipients For Minister

- As above Vice Minister

- Ministry of Finance

- Minister (for reporting) Nguyen Thanh Bien

- MOIT's representative Office in HCMc Signed/Stamped

- Companies registered for automatic licensing for implementation
- Administration and Import-Export Department for filling.