

# Asia Counsel Insights

Asia Counsel Insights provide an overview of key trending legal and business issues in Vietnam and how they may impact your business.

In this **March 2024 edition**, we provide new updates on the new decree related to high-tech zones, new medical regulations, and additional dangerous occupations.

## NEW DECREE RELATED TO HIGH-TECH ZONES

On 1 February 2024, the Government issued Decree No. 10/2024/ND-CP concerning high-tech zones ("**Decree 10**"). This decree regulates the construction guidelines and development plans for high-tech zones, the process for establishing and expanding high-tech zones, operational protocols within high-tech zones, as well as the investment activities within high-tech zones.

High-tech zones support high-technology research, application, and development activities, producing high-tech products and training high-tech personnel.

### 1. Establishment of high-tech zones

The establishment of a high-tech zone requires approval from the Prime Minister, under a proposal submitted by the Ministry of Science and Technology and or the Ministry of Agriculture and Rural

Development. The scale of a high-tech zone must be aligned with regional/provincial planning and will be evaluated for feasibility by the Prime Minister.

Key points in Decree 10 include the followings:

- Encouragement for private investors to invest in constructing technical infrastructure systems, social infrastructure, and other facilities supporting science and technology development within high-tech zones.
- Incentives like exemptions on land rental and are given precedence in accessing investment credit from the State.

### 2. Investment projects within high-tech zones

Projects situated within high-tech zones benefit from a range of incentives as per investment laws which include:

- corporate income tax incentives,
- export and import tax reductions or exemptions,

- favourable land-related regulations,
- access to various credit facilities, and
- other relevant incentives associated with high-tech investments.

Specifically, projects focused on constructing high-tech research and development facilities and incubation centers, are entitled to land rental exemption, and receive support, loans, and loan guarantees from the National Technology Innovation Fund, the Small and Medium Enterprise Development Fund, and other legal funds and funding sources.

Additionally, export processing enterprises within high-tech zones are eligible for incentives outlined in Decree 10, in addition to any specific regulations applicable to such enterprises operating in industrial parks and economic zones.

Nationally there are 4 high-tech zones, and it is hopeful that the new Decree will attract further investment in high-tech zones.

Decree 10 took effect from 25 March 2024.

## NEW MEDICAL REGULATIONS

On 30 December 2023, the Government issued Decree 96/2323/ND-CP, detailing several articles of the Law on Medical Examination and Treatment ("**Decree 96**"). Decree 96 took effect from 1 January 2024.

### 1. Licensing conditions

Decree 96 prescribes additional operational requirements depending on the medical facility. A summary of those changes is below.

#### Hospitals

- There must be a minimum floor area of 50sqm per bed.
- A hospital must have mandatory specialized departments depending on the number of beds. For example, a hospital with over 150 must have the following departments: medical examination, clinical, paraclinical, pharmacy, nutrition and dietetics and infection control.
- There must be at least 70% full-time medical practitioners per department.

#### Specialized clinics

- There must be minimum one specialised department and up to three specialized medical fields (e.g. traditional medicine centers, subclinical service centers, maternity wards, dialysis facility)
- The minimum area for a consulting room is 10sqm, a procedures room is 10sqm and an occupational therapy room is 20sqm.

#### Dental clinics

- The minimum area for a consulting room is 10sqm; a dental chair is 5sqm each and implant surgery room is 10sqm.

#### Polyclinics:

- There must be at least three specialised departments.
- The minimum area for an emergency room is 12sqm, a patient room (15sqm for at least two beds and 5sqm for each additional bed), a specialised consulting room is 10sqm, a procedures room is 10sqm and an occupational therapy room is 20sqm.

Existing licensed medical facilities are also required to comply with the new requirements prescribed in Decree 96. Failure to do so may lead to the suspension and revocation of the operation license upon inspection by competent authorities.

### 2. Classifications by professional and technical expertise

Decree 96 further introduced the new classification of medical examination and treatment facilities based on expertise for the purpose of State's management on patient load balance and patient transfer among medical facilities. This is to help measure the level of care that may be offered depending on the patient's conditions.

- **Primary level:** Facilities without inpatient care, commune-level health stations, and regional polyclinics.
- **Basic level and intensive level:** Hospitals, scored based on assessment criteria set out under Schedule V of Decree 96:
  - Basic level: score under 70,
  - Intensive level: score of 70 and above.

## ADDITIONAL DANGEROUS OCCUPATIONS

Circular No. 19/2013/TT-BLDTBXH, which took effect on 15 February 2024 ("**Circular 19**"), outlines additional 54 occupations and works that are considered as arduous, hazardous and dangerous ("**Additional Dangerous Occupations**"). Employees engaged in Additional Dangerous Occupations are entitled to special benefits including work allowances, modified working hours, increased annual leave, rest breaks, healthcare, etc. as outlined under the Labour Code and Law on Occupational Safety and Health.

Notable Additional Dangerous Occupations specified under Circular 19 are below.

- Operating cranes of with the capacity of at least 20 tons in the construction field.
- Driving trucks with the capacity range from 7 tons to under 20 tons in the construction field.
- Operating concrete mixing plant.
- Serving as a consultant at the national child protection hotline 111.
- Working as teachers, vocational trainer, job consultants, coaches, doctors or provision of legal aid for the disabled.
- Engaging in the clearance of bombs, mines, and explosives, and handling post-clearance bombs and mines management.

### About Asia Counsel

Asia Counsel is a well-established and highly regarded law firm with more than 20 Vietnamese and foreign lawyers, including three partners, based in Ho Chi Minh City, Vietnam's centre of enterprise. The firm has built an excellent reputation over a decade of on-the-ground experience and excellence. It assists multinational corporations, UK, US, European, Japanese, Chinese and other Asia-Pacific law firms, as well as global, regional and local investment funds, venture capital funds, private equity investors and financial institutions. It also serves an array of high-profile Vietnamese corporations with their full business lifecycle in Vietnam — from market entry and M&A to daily operations and regional expansion.

If you have any questions on any of the items discussed above, please do not hesitate to contact us.

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