

GREAT JOB OPPORTUNITIES FOR SKILLED EXPATS IN VIETNAM



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Do you consider taking advantage of Indochina's developing job market and start working in Vietnam? Vietnam's business world has some confusing odds and ends, which our insight will help you figure out.

If you are planning on working in Vietnam, it is essential that you understand the country's cultural values and traditions. Only then can you successfully develop strong business relationships. After all, cultural values are strongly reflected in the business environment.

The country saw a large degree of economic turmoil in the second half of the last century. The US-Vietnam war and the US trade embargo have left their mark. However, although the country faces some troublesome problems resulting from the international economic recession, it is enjoying a period of economic growth and as such, working in Vietnam offers many rewards.

Vietnam's Business World: Hierarchy Is the Key

While working in Vietnam, be it in Hanoi or Ho Chi Minh, you will soon find that Vietnamese companies function in a defined hierarchical manner. Decisions are made at the top, and more often than not, it's the oldest person in the company who is the decision maker. For that reason, you have to make sure to pay respect to your coworkers and partners, especially if they are older than you.

Status is an important element of Vietnam's business world and society. You achieve a certain status not through age alone but also through education when working in Vietnam. Although the business universe in Vietnam was once dominated by men, the country is moving toward a sexual revolution with increasing numbers of women populating senior positions.

From a Poor Country to a Dynamic Economy

Vietnam has one of the world's lowest unemployment rates, placed at just 2.23 at the beginning of 2016. Since 1986, Vietnam has developed an economic success story. It went from one of the poorest countries in the world to a lower middle income status within a quarter of a century. Since the 2000s, the GDP has been growing sharply, and the poverty rate declined from 58% to 14%.

In 2015, the only country that experienced a growth in its exports was Vietnam, and the impact of the financial crisis was thus limited. In fact, the country was praised for handling the crisis efficiently, and experienced a GDP growth of 5.5% in 2014, and 6.5% in 2015.

Most of these achievements are due to government reforms in every key sector of the economy, which are agriculture, food industry, textile, furniture, energy, tourism, and telecommunications. These reforms consisted of privatizing public companies, improving the business climate, stimulating foreign investments, and the introduction of effective monetary policies.

They are the reason why Vietnam is a very attractive destination for skilled and experienced expats. With a high domestic consumption, and an increasingly FDI-friendly environment, there are a lot of opportunities to be taken.

There is, however, a thorn in Vietnam's economic potential. In fact, the banking sector is handicapped by a large number of bad loans, and its insufficient capitalisation is also a significant threat. However future prospects for the country remain positive; in 2016, Vietnam signed the Trans-Pacific Partnership (TPP), which linked it to eleven other countries in the Pacific. Furthermore, the potential in agriculture and energy, coupled with its skilled and inexpensive workforce, guarantee a good economic future. Moreover, the Vietnamese GDP is expected to have grown by 6.4% at the end of 2016.

Work Permits: Complicated but Being Simplified

To begin working in Vietnam, expats need to secure a work permit. To do this, foreigners need to have a work contract and an employer who is willing to arrange the details for them. They will apply to the local Department of Labor, War Invalid & Social Affairs in their city. The government is currently making reforms to simplify the requirements for the work permits, and extend exemptions. The last reform was implemented in April 2016.

The Exempted Expats

There is an important list of exempted expats, and here is the explanation in detail of who is eligible:

- expats possessing a bachelor's degree, with at least three years of experience in the field they want to work in. This only applies if they are in the country for no more than 30 days at a time and no more than a total of 90 days in a year.
- expats transferred by their company, only if this company operates in one of these fields: information technology, business, education, distribution, construction, health, environment, finance, transportation, tourism, and entertainment. Expats with this exemption can stay in the country for the entire duration of the work permit.

- teachers working in international schools under the control of foreign embassies. If they work for Vietnamese schools, they need to get permission from the Ministry of Education. Expats with this exemption can also stay in the country for the entire duration of the work permit.
- interns working in Vietnamese companies, authorized volunteers from international NGOs, and experts supporting the implementation of Official Development Assistance projects. Expats with this exemption can also stay in the country for the entire duration of the work permit.

Also, the employer will have to send documents to the Ministry of Labor, War Invalids, and Social Welfare. The ministry will confirm the exemption within three days, and this exemption will be valid for two years.

Expats Who Need a Work Permit

Any other foreigner working in Vietnam will need a work permit. They will have to send their documents to the Ministry of Labor, War Invalids, and Social Welfare. You must submit the following documents to the ministry at least two weeks prior to the beginning of employment, but it is highly advisable to begin the procedures a couple of months beforehand if possible:

- proof of employment with a foreign company that sends staff to work in Vietnam
- a notarized copy of your passport
- a request written by the employer for a work permit for the employee
- a medical certificate, issued by authorized agencies either abroad or in Vietnam and valid for twelve months
- documents to support your qualifications as a manager, executive, professional, or technical worker
- a criminal record from your country of origin. If you have been residing in Vietnam for more than 30 days, you only need to obtain this from the Vietnamese authorities
- two color photos (size 4 cm x 6 cm, white background, looking forward, bareheaded, no colored glasses), taken within the last six months.

The ministry will respond within seven days, and this work permit will be valid for two years.

Source: Internations.org

CONTACT

If you have any questions about the matter above, please do not hesitate to contact us at:

Nguyen Thi Kim Ngan | Senior Associate

T: (+84-28) 6276 9900

E: ngan.nguyen@gate2v.com

Nguyen Thi Diem Tinh | Associate

T: (+84-28) 6276 9900

E: tinh.nguyen@gate2v.com

GTV[®] | A Boutique Business & Legal Consulting Firm

Room 303, 3rd /FL, The Age Building

32 Xo Viet Nghe Tinh St., Ward 19, Binh Thanh Dist.,

Ho Chi Minh, Vietnam

T: (+84-28) 6276 9900 | F: (+84-28) 2220 0913

gate2v.com | gate2v@gate2v.com

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