

CRITERIA FOR DUTY-FREE LUGGAGE OF TRAVELLERS AT VIETNAM BORDER GATES

by LÊ VĂN CHẤN

On Feb 6, 1995 the Government issued Decree No 17/CP on criteria for duty-free luggage of travellers allowed exit/entry through Vietnamese border gates.

This decree replaces Decree No 09/CP dated November 14, 1992 and took effect from February 2, 1995.

Articles beyond the duty-free list as prescribed at Article 1 of the decree (attached to the decree) are regarded as commodities which are subject to tariff as defined by law and other related legal documents.

On Feb 20, 1995 the General Customs Office promulgated Circular No 63/TCHQ/GSQL on guidelines for the implementation of Decree No 17/CP dated Feb 2, 1995 by the Government.

The following are some main contents of the decree and circular:

CRITERIA FOR DUTY-FREE LUGGAGE OF TRAVELLERS AT VIETNAMESE BORDER GATES

(attached to Decree No 17/CP dated Feb 2, 1995 by the Government)

	Items	Quantity	Notes
1	Alcohol - Above 22 percent alcohol - Under 22 percent alcohol - Alcoholic drinks	1.5 liters 2.0 liters 3.0 liters	Children under 15 years old must not enjoy this exemption.
2	Tobacco - Cigarette - Cigar - Pipe-tobacco	400 rolls 100 rolls 500 grams	Children under 15 years old must not enjoy this exemption.
3	Tea, coffee - Tea - Coffee	5 kgs 3 kgs	Children under 15 years old must not enjoy this exemption.

4	Clothes, belongings used for personal use during the trip Other articles (not being banned from import/export) brought along with the total value of US\$500 down are duty-free to Vietnamese nationals, Vietnamese residing overseas and foreigners		
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Luggage mentioned in Decree No 17/CP include necessary belongings for personal use or used for the target of the trip, not commercial. Luggage include hand-luggage, consigned ones.

In particular the traveller's jewellery, precious metal, gemstone, foreign currency are not within the criteria defined in Decree 17/CP, they are subject to regulations on the Government's control over foreign exchange.

The above mentioned criteria is applied to every entry/exit of Vietnamese national, Vietnamese residing overseas, foreigner, regardless of the number of exits/entries and of how long he/she stays abroad or in Vietnam.

The exemption is personally applied per exit/entry, it must not be added up by many trips or persons.

The traveller carrying luggage has to perform customs procedures as stipulated at border gates or places accepted by provincial, municipal customs offices (except for those who enjoy diplomatic exemption).

As for quantity list attached to Decree 17/CP

- Point 1:

+ Mineral water, soft drink...(not being alcoholic) are duty-free if carried in an appropriate quantity for use.

+ Alcohol: if bottled alcohol exceeds the limit, this bottle is exempt from tax, if excessive alcohol kept in other containers, it must be liable to tax.

- Point 2:

Cigarettes are banned from import, so the excessive number will be confiscated.

- Point 4:

Customs authorities at border gates should distinguish luggage of travellers seeking exit/entry from those

FOREIGN INVESTMENT IN THE FIRST THREE QUARTERS OF 1995

by MINH TÂM

Up to September 1995, in HCMC, 91 foreign projects (compared with 90 licenced projects in 1994) with total capital of US\$ 1,889.8 million were licenced, 72,51% of which was foreign - owned. The average capital invested in a project was US\$20.7 million, nearly twice as much capital of an average project as in previous years. There were 56 joint ventures with total capital of US\$ 1,717.6 million, 6 business co-operation contracts (US\$26.14 million) and 29 100% foreign-invested projects (US\$146 million). Twelve projects will operate under 10 years, 56 from 10 to 20 years, and 23 over 20 years (they are also projects of the biggest investments: US\$1,041.6 million, represented 55.12% of total investment).

In the past nine months, five branches of foreign banks (Deustcache Bank, Hongkong Bank, Siam Bank, United Oversea and Shinhan Bank) with total capital of US\$70 million were opened in HCMC.

Up to now, in HCMC there were 439 valid foreign projects with total investment of US\$5,986.13 million. Fifteen ones of them with total investment of 429.1 million were controlled by government bodies at central level. The percentage of foreign-owned share was 72.92%. Three hundred and twelve projects with total capital of US\$550 million, will come to their expiry after 10 to 20 years, 92 projects with total capital of US\$3,698 million will operate over 20 years.

According to the government statistics, over 50% of foreign projects in HCMC has come into operation. Fourteen percent of projects has begun to earn profits, 8% is under construction and 28% hasn't secured needed capital yet (most of these projects have just been licenced).

working abroad for a long time or those returning home after finishing their overseas works. Their clothes and belongings should be considered to enjoy tax exemption.

- Point 5:

The traveller having no passport must not enjoy a value of US\$500 exempt from tax.

a. In case the traveller bringing along only one commodity valued at above US\$500 along with duty-free luggage, he/she must pay tax based on the excessive value.

b. The traveller can choose which is duty-free or subject to tax in articles whose quantity is not stipulated and their total value exceeds US\$500.

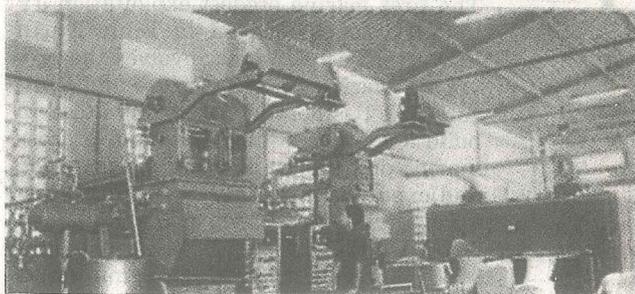
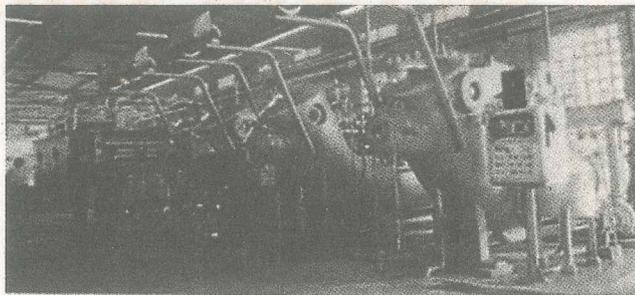
The traveller is permitted to carry one article of each kind of bicycles, television sets, refrigerators...for use and has to pay import tax.

In case the traveller entered Vietnam before Feb 15,

Foreign-invested enterprises are employing 32,500 laborers, 82% of them work in manufacturing industry

Business	Number of projects	Investment (US\$ million)
Agriculture and forestry	3	64.46
Mariculture	5	24.14
Mining	1	0.30
Manufacturing industry	251	1,303.55
Electricity and gas	4	243.76
Construction	17	568.63
Commerce	7	30.89
Hotel and Restaurant	52	1,959.58
Transportation and warehouse	30	419.76
Finance	12	165.00
Estate agent and Consultant services	50	1,079.86
Education	1	1.05
Health care and social work	2	25.00
Cultural affairs and sport	4	100.15
Total	439	5,986.13

Source: Báo cáo tình hình kinh tế - xã hội 9 tháng đầu năm 1995 (Report on socio-economic situation in the first 9 months in 1995) prepared by HCMC Statistics Agency



1995, but his/her luggage were applied for customs clearance after Feb 15, 1995, the customs authorities at border gates depend on customs declaration form (HQ60-94), visa, bill of lading, if these documents were recorded before Feb 15, 1995, his/her luggage would be settled according to Decree No 09/CP dated November 14, 1992 by the Government. The sailor who departed before Feb 6, 1995 (the day of decree issuance) would be allowed his/her luggage duty-free according to Decree No 09/CP. The settlement of these cases had to be completed before May 15, 1995.

The traveller carrying products in forms of temporary import for re-export, temporary export for re-import must declare at the customs authorities of the border gate. If accepted, these products must be brought along by the traveller on arrival or departure