

DECREE
ON
CONDITIONS FOR SEA SHIPMENT SERVICES BUSINESS

The Government

Pursuant to the *Law on Organization of the Government* dated 25 December 2001;
Pursuant to the *Maritime Code of Vietnam* dated 14 June 2005;
Pursuant to the *Law on Enterprises* dated 29 November 2005;
Pursuant to the *Law on Investment* dated 29 November 2005;
Pursuant to the *Commercial Law* dated 14 June 2005;

Having considered the proposal of the Minister of Transport & Communications;

Decrees:

Article 1 *Governing scope*

This Decree regulates the conditions for conducting sea shipment services business. In this Decree, sea shipment services comprise shipping agency services, towage assistance services in Vietnamese seaports, and other sea shipment services.

Article 2 *Applicable entities:*

1. This Decree applies to organizations and individuals providing sea shipment services in Vietnam.
2. In addition to satisfying the conditions for conducting sea shipment services business stipulated in articles 2, 3 and 4 of this Decree, organizations and individuals providing sea shipment services must also satisfy other business conditions stipulated by law.

Article 3 *Conditions for providing shipping agency business services*

Any organization or individual providing shipping agency business services must establish an enterprise in accordance with law, and in the case of an enterprise with foreign owned capital the ratio of capital contribution of the foreign parties must not exceed forty-nine (49) per cent of the charter capital of the enterprise.

Article 4 *Conditions for providing towage assistance business services in Vietnamese seaports*

Any organization or individual providing towage assistance business services in Vietnamese seaports must establish an enterprise in accordance with law, and in the case of an enterprise with foreign owned capital the ratio of capital contribution of the foreign parties must not exceed forty-nine (49) per cent of the charter capital of the enterprise which must have a towing vessel registered to fly the Vietnamese flag.

Article 5 *Conditions for providing other sea shipment services*

The provision of other sea shipment services by organizations and individuals shall be implemented in accordance with Vietnam's WTO undertakings and international treaties of which the Socialist Republic of Vietnam is a member.

Article 6 *Inspections and dealing with breaches*

1. Inspections of business conditions:

Ministers, chairmen of people's committees of provinces and cities under central authority, and heads of State administrative bodies in the maritime sector shall direct functional bodies to conduct inspections of satisfaction of

business conditions by organizations and individuals pursuant to this Decree.

2. Dealing with breaches:

Any organization or individual engaged in providing sea shipment services who breaches the provisions of this Decree shall, depending on the nature and seriousness of the breach, be subject to disciplinary action, administrative penalty or prosecution for criminal liability; and must pay compensation for loss and damage caused (if any) in accordance with law.

Article 7 *Effectiveness*

This Decree shall be of full force and effect fifteen (15) days after the date of its publication in the Official Gazette. The following are hereby repealed: Decree 57-2001-ND-CP of the Government dated 24 August 2001 on conditions for conducting sea shipment services business, and Decree 10-2001-ND-CP of the Government dated 19 March 2001 on conditions for conducting maritime services business.

Article 8

1. The Minister of Transport & Communications shall be responsible for organizing implementation of this Decree.
2. Ministers, heads of ministerial equivalent bodies, heads of Government bodies, chairmen of people's committees of provinces and cities under central authority and the organizations and individuals concerned shall be responsible for implementation of this Decree.

On behalf of the Government

Prime Minister

NGUYEN TAN DUNG