REGULATION ON IMPORTATION OF USED MACHINERY AND EQUIPMENT IN VIETNAM

Highlights

- 1. The used machinery or equipment which is imported into Vietnam needs to be <u>less than 10 manufacturing years</u>. However, there is exception. Importers who wish to import older than 10 years machinery or equipment is required to submit documents to clarify the need of using such machinery or equipment to Ministry of Science and Technology of Vietnam. The approval will be delivered on a case by case basis.
- 2. The used machinery or equipment which is imported into Vietnam must satisfy safety, energy saving, and environmental protection requirements regarding the National Technical Regulation (QCVN), Vietnam's Standard (TCVN) or Standards of G7 countries.

I. Rules

- 1. Vietnam does <u>not</u> allow the importation of any used machinery or equipment that have been discarded or banned by other countries because of its obsolescence, low quality, or causing environmental pollution.
- 2. Importers are recommended to inspect used machinery or equipment in the exporting country. If goods are not inspected prior to their arrivals at a Vietnam's port, the importers may put it into storage as prescribed by Circular No. 23/2015/TT-BKHCN dated 13 November 2015.

II. Requirements

1. General requirements

The quality standard of importing used machinery and equipment must satisfy safety, energy saving, and environmental protection requirements.

- 2. Specific requirements
 - Manufacturing age does not exceed 10 years
 - Manufacturing standard must comply with National Technical Regulation (QCVN), Vietnam's Standard (TCVN) or Standards of G7 countries regarding to safety, energy saving, and environmental protection.
- 3. Used parts and components can only be imported when the enterprise needs to replace or repair its operating equipment.

III. Import dossier

1. Importation of used machinery and equipment

Apart from import documents regarding customs procedure, importers must submit additional documents, including:

- 1.1. Importation of used machinery and equipment for an investment project
 - 1 certified true copy of the decision on investment policies or investment registration certificate enclosed with 1 original copy of the list of importing used equipment.

1.2. Other cases

- 1 original copy of manufacturer's certification that shows production year and manufacturing standards.
- 1 original copy of the inspection certificate issued by an authorized inspecting organization that shows production year and manufacturing standards.

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Note: the standard of the used machinery and equipment must comply with Circular No. 23/2015/TT-BKHCN.

2. Importation of used parts and/or components

Apart from import documents regarding customs procedure, importers must submit additional documents, including:

- 1 original copy of the enterprise's description of the necessity of the used parts and/or components, and a commitment to import with appropriate quantity and categories and only use for intended purposes.
- In case importer under an authorization, an original copy of the authorization letter must be added.
- 1 copy of technical documents of the parts and/or components (if any).

IV. Import procedures

- 1. In case of satisfying the requirements, the customs clearance procedures will be completed at earliest time.
- 2. In case of not having sufficient documents when goods have arrived at the port
 - Importers may put goods into storage. Necessary documents are required as follows:
 - (1) 1 original copy of the application for inspection bearing the certification by the inspecting organization.
 - (2) 1 original copy of the written request for permission to put goods into storage (form No. 09/BQHH/GSQL in Appendix V of Circular No. 38/2015/TT-BTC).
 - Within 30 working days after storage, the importers must submit the inspection certificate and required documents to the customs authority.
 - If the inspection result is not satisfied, the importers will be incurred penalty.
 - The used machinery and equipment may only be used or assembled after customs clearance procedures are completed.
 - Used machinery and equipment of an investment project may only be used for the project and are not permitted to transfer, unless the original enterprise is bankrupt, dissolved, or shut down.

VI. Inspection

- 1. Apart from basic information, a conclusion part of the inspection certificate must specify:
 - · Year of production, name, brand, number, model, name of manufacturer
 - Conclusion about conformity of standards applied to the used machinery and equipment with National Technical Regulations, Vietnam's Standards or standards of G7 countries regarding to safety, energy saving, and environmental protection.
- 2. Effective duration of an inspection certificate: valid within 6 months

VII. Exception

For manufacturing age of used machinery and equipment exceeds 10 years, enterprise has to submit a proposal and documents to clarify the need of importation to the Ministry of Science and Technology. The Ministry shall cooperate with other ministries and agencies to consider the case.

For further information, enterprises are recommended to refer to the Circular No. 23/2015/TT-BKHCN dated on 13 November 2015 prescribed the import of used machinery, equipment and technological lines.