**LEGAL UPDATE (August 17th, 2021)**

In this issue, we would like to bring to your attention to the following:

* Guiding about the management, allocation, advance payment and reimbursement of expenses for coercive judgment enforcement against commercial juridical persons.
* Amending and supplementing serveral contents related to the electricity selling price.

1. **Guiding about the management, allocation, advance payment and reimbursement of expenses for coercive judgment enforcement against commercial juridical personsz**

On July 8th, 2021, The Minister of Finance promulgated Circular No. 55/2021/TT-BTC guidingt about the management, allocation, advance payment and reimbursement of expenses for coercive judgment enforcement against commercial juridical persons (referred to as “**Circular No. 55/2021/TT-BTC**” ) with some outstanding contents as follows:

1. **Principles of management of enforcement expenses**

Commercial juridical persons subject to enforcement must bear all expenses of enforcement activities and shall pay all enforcement expenses to the enforcement decision-making authority.

1. **Content of enforcement expenses**

* Enforcement expenses based on contracts, contract termination records, minutes on handover of distrained property (in case of for the cost of renting or preserving the distrained property), invoices and evidence of actual, legitimate and valid expenditures in accordance with current regulations and must be subject to an approval granted by enforcement decision-maker;
* Expenses for fostering those directly mobilized to participate in coercion and protection, the expenses for the person in charge of the enforcement decision under the enforcement decision-executing authorities is 150,000 VND/person/day; the level of expenditure for persons mobilized to participate in the enforcement decisions is 100,000 VND/person/day to participate in enforcement;
* The allocation of expenses for coercive judgment enforcement for commercial juridical persons shall comply with the provisions of the law on the state budget and the Decree No. 11/2020/ND-CP dated January 20th, 2020 regulations on administrative procedures in the field of State Treasury.

1. **Settlement and reimbursement of enforcement expenses**

Upon the completed execution of the enforcement decision, the enforcement decision-executing authority shall submit the enforcement decision-maker to approve of the settlement of enforcement expenses. The enforcement decision-making authority is responsible for sending the approved coercion expenses finalization to the coerced subject (if the subject of enforcement has paid the enforcement expenses). In particular, the implementation instructions for some specific cases are as follows:

* In case where the advance on enforcement expenses has been made as prescribed, based on the approved statement on settlement of enforcement expenses, the enforcement decision-making authority shall issue a written notice of the approved statement on payment of enforcement expenses to the coerced subject to ask them to pay enforcement expenses (the written notice must clearly state the date (day, month and year) of the sanction, the amount to be paid, the address for payment in cash or the account number in case of payment by bank transfer and other necessary information);
* Suppose the enforcement expenses are collected from the asset auction proceeds as prescribed. After deducting the asset auction expenses under the Law on Property Auction, the judgment enforcement authority shall make an enforcement decision to reimburse enforcement expenses. If the coerced subject has paid enforcement expenses, the enforcement decision-executing authority shall return the enforcement expense amount from the asset auction proceeds to the coerced subject;
* Suppose it is impossible to recover the enforcement expenses because the coerced subject is bankrupt or dissolved but has no money or property to pay the enforcement expenses. In that case, the enforcement decision-executing authority shall report to the enforcement decision-maker.

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The Circular No. 55/2021 shall enter into force as of August 25th, 2021.

1. **Amending and supplementing several contents related to the** **electricity selling price**

On 6th August 2021, The Minister of Industry and Trade promulgates Circular No. 06/2021/TT-BCT to amend and supplement some provisions of Circular No. 16/2014/TT-BCT dated 29th May, 2014 of regulations on implementation of the electricity selling price (referred to as **Circular No. 06/2021/TT-BCT**) with some remarkable contents as follows:

1. **Amendment of contents related to electricity selling price in industrial park to purchase electricity from the national power system simultaneously with other power sources:**

Retailers in the purchase in the industrial park combine electricity from the national power system simultaneously with other power sources (on-site power generalization plants, other on-site power sources such as wind power, solar power, and biomass power) for retail to customers in industrial park is responsible for constructing the electricity price scheme for electricity-using customers in the area to send to the Department of Industry and Trade for evaluation, and then submit it to the People’s Committees of the provinces for approval annually.

1. **Amendment of contents related to wholesale electricity price for industrial park and industrial cluster:**

According to the new regulations, the "industrial cluster" is supplemented and applied together with the wholesale electricity price of the industrial park. In addition, Circular 06/2021 supplements regulations on the wholesale price at 110kV busbar of the 220kV substations or branching point of 110kV lines leading to the industrial park, industrial cluster. Accordingly, the wholesale electricity price will be applied equally to the retail electricity price at level 110 Kv and above for the case where the electricity retailer buys wholesale electricity to retail electricity to customers using electricity in the industrial park and industrial cluster at 110 Kv voltage level.

1. **Supplement cases of commercial, service, and domestic complexes with customers using electricity for hospitals, kindergartens, preschool, high schools, public lighting activities, administrative and non-profit organizations**

For commercial, service, and domestic complexes with customers using electricity for hospitals, kindergartens, pre-school, high school, public lighting, administrative and non-profit organizations, the wholesale electricity price at the general electric meter for the part of the electricity used by these objects is not in the form of three-rate manner and is regulated as follows:

* Apply electricity selling price for hospitals, kindergartens, pre-school, high school, public lighting, administrative and non-profit organizations;
* The electricity retailer is responsible for coordinating with the electricity wholesale to install the three-rate meter to monitor the actual electricity output and record meter readings for customers on the same day as the general electric meter to ensure the accuracy of the amount of electricity to use electricity at the general electric meter.

The Circular No. 06/2021 shall enter into force as of September 25th, 2021.

We hope this Legal Updates would bring you useful information.

Best regards.

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