**LEGAL UPDATE (October 11th, 2022)**

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

* New regulations on electronic guarantee activities
* Draft conditions for allowing preschools to conduct educational activities

1. **New regulations on electronic guarantee activities**

The State Bank of Vietnam (SBV) promulgates Circular 11/2022/TT-NHNN providing for bank guarantees to replace Circular No. 07/2015/TT-NHNN dated October 3rd, 2012 and Circular No. 13 /2017/TT-NHNN dated September 29th, 2017 amending and supplementing a number of articles of Circular 07/2015/TT-NHNN.

Circular 11/2022/TT-NHNN stipulates that a bank guarantee is a form of credit extension, whereby the guarantor being a credit institution or foreign bank branch commits to the guarantee recipient that it will perform financial obligations on behalf of the obligee when the obligee fails to perform or fails to perform fully the obligations committed to the obligor; the guaranteed party must accept the debt and return it to the guarantor according to the signed agreement.

Credit institutions, foreign bank branches and customers may carry out bank guarantee activities through the use of electronic means (electronic guarantee activities).

The implementation of electronic guarantee activities must ensure security, safety, protection of data messages and confidentiality of information in accordance with the provisions of the law on prevention of money laundering, electronic transactions, guidance of the State Bank on risk management in e-banking activities and other relevant legal documents.

Credit institutions, foreign bank branches shall decide on their own the methods, forms and technologies to carry out electronic guarantee activities for the whole or each stage in the guarantee process (if any) and must meet the requirements.

The parties may agree to adjust the guarantee fee.

This Circular shall take effect from April 1st, 2023.

**2. Draft conditions for allowing preschools to conduct educational activities**

The Ministry of Education and Training is collecting comments on a draft Decree stipulating conditions for investment and operation in the field of education, replacing Decree No. 46/2017/ND-CP and Decree No. 135/2018/ND-CP.

The draft stipulates the conditions for allowing preschools to conduct educational activities as follows:

1. Having land, facilities and equipment meeting the minimum standards of location, size, area and facilities for preschools as prescribed by the Ministry of Education and Training.
2. Having the school's educational program and educational plan; have tools, toys and learning materials to ensure the implementation of the preschool education program.
3. Having a contingent of managers, teachers, employees and workers in sufficient quantity and qualified to organize child rearing, care and education activities to meet the requirements of the early childhood education program.
4. Having sufficient financial resources to ensure the maintenance and development of educational activities.

We hope this Newsletter would bring you useful information.

Best regards.

|  |  |
| --- | --- |
| **Disclaimer**: All materials have been prepared for general information purposes only. The information is not intended as, and should not be taken as, legal advice. Do not act or refrain from acting based upon information provided herein without first consulting our lawyers about your particular factual and legal circumstances. Apolat Legal can accept no responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate adviser. | **ABOUT US,**  Apolat Legal is a professional law firm with its offices in Ho Chi Minh city and Ha Noi city. The firm’s lawyer team specializes in almost all legal practice areas in Vietnam including Enterprise and Investment; Labor and Employment; Intellectual Property; Dispute Resolution; Real Estate and Construction; Information and Communication; Natural Resources and Environment; Transport; Industry and Trade; Education and Training; Finance and Banking; Agriculture; Legal Document Translation; Legal Training.  Our reputation and the quality of its services are reflected by our clients. We are serving nearly 1,000 clients both local and multi-national companies.  We are also honored to receive numerous recognitions and/or articles posted by world-leading and local organizations and publications including: The Law Association for Asia and the Pacific (LawAsia, 1966), The Legal500, IP Link, IP Coster, Lexology, Global Trade Review (GTR), The Saigon Times, etc. |

|  |  |
| --- | --- |
| **Contacts:**  **HO CHI MINH CITY (Head office)**  5th Floor, IMM Building99-101 Nguyen Dinh Chieu, District 3Ho Chi Minh City, Vietnam  **THE BRANCH IN HA NOI CITY**  Room A8, 29th Floor, East Tower, Lotte Center  54 Lieu Giai, Cong Vi Ward, Ba Dinh District  Hanoi City, Vietnam  Tel: +84-28-3899 8683Email: [info@apolatlegal.com](mailto:info@apolatlegal.com)  Website: [www.apolatlegal.com](http://www.apolatlegal.com) | **SINGAPORE (Affiliated office)**  #26-10, SBF Center,  160 Robinson Road  Singapore 068914  Tel: +84-93-2014 986Email: [info@apolatlegal.com](mailto:info@apolatlegal.com)  Website: [www.apolatlegal.com](http://www.apolatlegal.com) |

**Scan QR code:**

Qr code

Description automatically generated