# LEGAL UPDATES VOL 57, APRIL 2023

**Dear Valued Clients and Partners,**

ADK Vietnam Lawyers would like to introduce to you the Legal Updates, Vol 57 of April 2023, with new legal provisions with notable contents as follows:

# New regulations about refinancing interest rate, rediscounting interest rate, and interest rate of overnight lending for interbanking electronic payments and loans compensating for shortage of funds used for sbv's settlement transactions

The State Bank of Vietnam has issued **Decision No. 313/QD-NHNN** dated March 14, 2023 (hereinafter referred to as “**Decision**”). Accordingly, the interest rates of the State Bank of Vietnam have been adjusted as follows:

1. Refinancing interest rate: 6.0%/year (Article 1.1 of the Decision)
2. Rediscounting interest rate: 3.5%/year (Article 1.2 of the Decision)
3. Interest rate of overnight lending for interbanking electronic payments and loans compensating for shortage of funds used for SBV'S settlement transactions with credit institutions and foreign bank branches: 6.0%/year. (Article 1.3 of the Decision)

**The Decision takes effect from March 15, 2023 and replace Decision No. 1809/QD-NHNN dated October 24, 2022.**

1. **Reducing short-term lending interest rates of credit institutions, foreign bank branches**

The State Bank of Vietnam has issued **Decision No. 314/QD-NHNN** dated March 14, 2023 (hereinafter referred to as “**Decision**”). Accordingly, the maximum short-term lending interest rate in Vietnam Dong according to the provisions of Clause 2, Article 13 of Circular No. 39/2016/TT-NHNN dated December 30, 2016 has been adjusted as follows:

1. Credit institutions and foreign bank branches (except people’s credit funds and microfinance institutions) will apply the maximum interest rate of 5.0%/year to Vietnamese-dong short-term loans. (Article 1.1 of the Decision)
2. People’s credit funds and microfinance institutions will apply the maximum interest rate of 6.0%/year to Vietnamese-dong short-term loans. (Article 1.2 of the Decision)

**The Decision takes effect from March 15, 2023 and replace Decision No. 1809/QD-NHNN dated October 24, 2022.**

1. **Amending, supplementing and suspending the effect of a number of articles in the decrees regulating the offering and trading of corporate bonds**

The Government issued **Decree No. 08/2023/ND-CP** on 05 March, 2023 (hereinafter referred to as “**Decree**”) about amendments to and suspension of some articles of decrees prescribing private placement and trading of privately placed corporate bonds in domestic market and offering of corporate bonds in international market. In the Decree, a number of notable regulations are:

1. The issuer may reach agreement with bondholders on payment of bond principal/ interests using assets (Article 1 of the Decree)
2. Allowing enterprises to change the terms and conditions of bonds (Article 2 of the Decree)
3. Enterprises are allowed to extend the bond term not more than 2 years (Article 3 of the Decree)

**The Decree takes effect from March 05, 2023. This Decree amends, supplements and annuls a number of articles of Decree No. 153/2020/ND-CP and Decree No. 65/2022/ND/CP.**

We hope you found this brief legal update informative.

Kind regards./.

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If you have or suspect that you may have a particular problem, you should contact us or your lawyer for specific advice on the matter.

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