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SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom – Happiness

Hanoi, August 26, 2021

DECREE

ELABORATION OF SOME ARTICLES OF THE LAW ON PROVISION OF ASSISTANCE FOR SMALL AND MEDIUM ENTERPRISES

Pursuant to the Law on Government Organization dated June 19, 2015;

Pursuant to the Law on Local Government Organization dated June 19, 2015;

Pursuant to the Law dated November 22, 2019 on Amendments to the Law on Government Organization and the Law on Local Government Organization;

Pursuant to the Law on State Bank of Vietnam dated June 25, 2015;

Pursuant to the Law on Public Investment dated June 13, 2019;

Pursuant to the Law on Provision of Assistance for Small and Medium Enterprises dated June 12, 2017;

At the request of the Minister of Planning and Investment;

The Government promulgates a Decree on elaboration of some articles of the Law on Provision of Assistance for Small and Medium Enterprises.

Chapter I

GENERAL PROVISIONS

Article 1. Scope

This Decree elaborates some Articles of the Law on Provision of Assistance for Small and Medium Enterprises regarding criteria for identification of small and medium enterprises, provision of assistance in terms of technology, information, consultancy, development of human resources, provision of assistance for small and medium enterprises that are converted from household businesses, startups, small and medium enterprises that recently participate in industry clusters and the value chain; responsibilities of agencies and organizations for provision of assistance for small and medium enterprises.

Article 2. Regulated entities

1. Enterprises that are established, organized and run in accordance with regulations of law on enterprises, satisfy criteria for identification of small and medium enterprises (SMEs) specified in Article 5 of this Decree.

2. Agencies, organizations and individuals relevant to provision of assistance for SMEs.

Article 3. Definitions

1. “SME Assistance Scheme” means a collection of relevant contents, using various resources to provide annual, medium-term and long-term assistance for SMEs. The Scheme consists of: objectives; subjects and conditions for receiving assistance; assistance contents; resource; mechanism for management, supervision and assessment; duration of the Scheme; other contents (if any).

2. “SME assistance program” means a collection of assistance contents and tasks to be performed by an agency or organization within a limited period of time.

3. “SME assistance plan” means a collection of objectives, solutions and budgets for provision of assistance for SMEs that are included in annual and 5-year socio-economic development plans of Ministries, ministerial agencies, governmental agencies, the People’s Committees of provinces and the country.

4. “assisting organizations” are the agencies and organizations that are assigned by competent authorities to organize the provision of assistance for small and medium enterprises.

5. “SME Assistance Portal” means the website www.business.gov.vn that contains information about the network of SME assistance counselors; SMS assistance plans, programs, projects, schemes, activities; guidelines for business operation, credit, market, products, technology, business incubation and other information serving operation of SMEs , state management of assistance and development of enterprises according to demands of the organizations and individuals specified in the Law on Provision of Assistance for Small and Medium Enterprises and this Decree.

6. “SME assistance database” means a collection of documents, knowledge, experience, information about SMEs according to the criteria specified in the Law on Provision of Assistance for Small and Medium Enterprises and Article 5 of this Decree. The SME assistance database is also a uniform information platform that meets the need for extracting information, data, developing strategies, policies and state management of enterprise assistance operated by the Ministry of Planning and Investment. The SME assistance database is connected, integrated and can exchange data with relevant systems of the Ministry of Planning and Investment, other Ministries, ministerial agencies, governmental agencies and the People’s Committees of provinces.

7. “Counselor network” means a collection of counseling organizations and individuals who are specialized in various fields that are appropriate for the needs of SMEs, recognized by relevant Ministries and ministerial agencies according to set criteria.

8. “SME with high female employment” means an enterprise that has at least 50% female employment if it has fewer than 100 employees; at least 30% female employment if it has at least 100 employees.

9. “direct training at SMEs” means training that is provided at the enterprise and designed on demand in order to solve specific problems of the enterprise.

10. “online training for SMEs” means training on the Internet using information technology and multimedia to provide knowledge and skills for enterprises.

11. “chain leading enterprises” are enterprises at various scales that have commercial association with SMEs in the value chain; orient, control all or various stages of the value chain to create added value for products and services; sell products and services in the domestic market and foreign markets.

Article 4. Principles

1. On the basis of available resources and order of priority in each period, assisting organizations shall decide the quantity of SMEs eligible for assistance following these principles:

a) First come, first served;

b) Women-owned SMEs, SMEs with high female employments and SMEs that are social enterprises shall be given priority as prescribed by law.

2. In case an SME satisfies conditions for different levels of assistance specified in this Decree and relevant regulations of law, it may choose the most favorable assistance.

3. In addition to assistance provided separately for micro-enterprises and SMEs specified in this Decree, general assistance for SMEs shall also be provided for micro-enterprises and SMEs that satisfy the conditions specified in this Decree.

4. SMEs that are converted from household businesses, startups, SMEs participating in industry clusters, value chains shall be eligible for the assistance specified in Chapter IV and Chapter III of this Decree if they are not repeated.

5. On the basis of their functions, duties and capacity, assisting organizations shall directly provide assistance or cooperate with capable organizations and individuals in providing assistance for eligible SMEs.

Chapter II

CRITERIA FOR IDENTIFICATION OF SMEs

Article 5. Criteria for identification of SMEs

1. Any micro-enterprise in the field of agriculture, forestry, aquaculture; industry and construction that has an average annual number of employees who participate in social insurance

not exceeding 10 people, total revenue in the year not exceeding 3 billion VND or total capital of the year not exceeding 3 billion VND.

Any micro-enterprise in the field of commerce and services that has an average annual number of employees who participate in social insurance not exceeding 10 people, total revenue in the year not exceeding 10 billion VND or total capital of the year not exceeding 3 billion VND.

2. Any small enterprise in the field of agriculture, forestry, aquaculture; industry and construction that has an average annual number of employees who participate in social insurance not exceeding 100 people, total revenue in the year not exceeding 50 billion VND or total capital of the year not exceeding 20 billion VND, except micro-enterprises mentioned in Clause 1 of this Article.

Any small enterprises in the field of commerce and service that has an average annual number of employees who participate in social insurance not exceeding 50 people, total revenue in the year not exceeding 100 billion VND or total capital of the year not exceeding 30 billion VND, except micro-enterprises mentioned in Clause 1 of this Article.

3. Any medium enterprise in the field of agriculture, forestry, aquaculture; industry and construction that has an average annual number of employees who participate in social insurance not exceeding 200 people, total revenue in the year not exceeding 200 billion VND or total capital of the year not exceeding 100 billion VND, except micro-enterprises and small enterprises mentioned in Clause 1 and Clause 2 of this Article.

Any medium enterprises in the field of commerce and service that has an average annual number of employees who participate in social insurance not exceeding 100 people, total revenue in the year not exceeding 300 billion VND or total capital of the year not exceeding 100 billion VND, except micro-enterprises and small enterprises mentioned in Clause 1 and Clause 2 of this Article.

Article 6. Determination of fields of operation of SMEs

The fields of operation of SMEs shall be determined according to their primary business lines as registered with business registration authorities.

Article 7. Determination of average annual number of employees who participate in social insurance of SMEs

1. The number of employees who participate in social insurance means all the employees who get paid by of the enterprise and participate in social insurance in accordance with social insurance laws.

2. The average annual number of employees who participate in social insurance equals (=) the total number of employees who participate in social insurance of all the months in the preceding years divided by (:) 12 months.

The number of employees who participate in social insurance of a month shall be determined at the end of the month according to documents about social insurance premium payment of that month that are submitted by the enterprise to the social insurance authority.

3. In case an enterprise has been operating for less than 01 year, the average annual number of employees who participate in social insurance shall equal (=) the total number of employees who participate in social insurance of the operating months by (:) the number of months.

Article 8. Determination of total capital of SMEs

1. The total capital of a year determined in the balance sheet and specified on the financial statement of the preceding year which is submitted by the enterprise to the tax authority. The total capital of a year shall be determined at the end of the year.

2. In case an enterprise has been operating for less than 01 year, the total capital shall be determined in the balance sheet of the enterprise at the end of the latest quarter before the enterprise applies for assistance.

Article 9. Determination of total revenues of SMEs

1. The total revenue of a year is the total revenue from sale of goods, provision of service by the enterprise and specified in the financial statement of the preceding year which is submitted by the enterprise to the tax authority.

2. In case an enterprise has been operating for less than 01 year or more than 01 year but has not generated revenue, the total capital criterion specified in Article 8 of this Decree shall apply.

Article 10. Identification and declaration of SMEs

1. Each SME shall complete the declaration form provided in the Appendix hereof, specify whether it is a micro-enterprise, small enterprise or medium enterprise, and submit the form to the assisting authority. SMEs shall be responsible for their declaration.

2. In case an enterprise is found to have declared its scale incorrectly, it shall revise the declaration before assistance is provided.

3. In case an enterprise deliberately declares its scale incorrectly for the purpose of receiving assistance, it shall take legal responsibility and return the funds provided as assistance.

4. Assisting organizations shall compare information about the enterprises on the National Enterprise Registration Portal to verify their eligibility for assistance.

Chapter III

ASSISTANCE IN TECHNOLOGY, INFORMATION, COUNSELING AND DEVELOPMENT OF HUMAN RESOURCES

Article 11. Technological assistance for SMEs

1. Reimbursement of up to 50% of the value of the advisory contract for digitalization of the enterprise in terms of business processes, administration processes, manufacturing processes, technological processes and conversion of business model but not exceeding 50 million VND/contract/year for each small enterprise and not exceeding 100 million VND/contract/year for each medium enterprise.
2. Reimbursement of up to 50% of the cost of leasing, buying solutions for digitalization for automation, improvement of efficiency of business processes, administration processes, manufacturing processes, technological processes in the enterprise and conversion of business model but not exceeding 20 million VND/year for each micro-enterprise; not exceeding 50 million VND/year for each small enterprise and not exceeding 100 million VND/year for each medium enterprise.
3. Reimbursement of up to 50% of the value of the advisory contract for establishment of intellectual property rights; management and development of products and services with protected intellectual property rights but not exceeding 100 VND/contract/year/enterprise.
4. Reimbursement of up to 50% of the value of the advisory contract for technology transfer that is appropriate for the enterprise but not exceeding 100 VND/contract/year/enterprise.
5. Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces shall execute investment projects for provision of assistance for SMEs via construction of new incubation facilities, technical facilities, co-working spaces; purchase, install equipment, laboratories, information technology systems for incubation facilities, technical facilities, co-working spaces to assist SMEs.

Article 12. Information assistance for SMEs

1. SMEs may access the information specified in Clause 1 Article 14 of the Law on Provision of Assistance for Small and Medium Enterprises free of charge on SME Assistance Portal and websites of Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces and the country.
2. Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces shall be provided with accounts on SME Assistance Portal in order to provide the information specified in Clause 1 Article 14 of the Law on Provision of Assistance for Small and Medium Enterprises; monitor and update information about assistance for SMEs in accordance with Article 29 of the Law on Provision of Assistance for Small and Medium Enterprises. Assisting organizations, enterprises, other organizations and individuals that wish to provide information, interact and connect with participants on SME Assistance Portal may apply for provision of accounts. Accounts on SME Assistance Portal shall be managed thereon.
3. SME Assistance Portal shall be developed, maintained, operated by the Ministry of Planning and Investment and connected with websites of other Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces in order to provide the information specified in Clause 1 Article 14 of the Law on Provision of Assistance for Small and Medium Enterprises and other information requested by enterprises, organizations and individuals.

4. The funding for development of information infrastructure and software serving operation of the SME Assistance Portal shall be provided from public investment capital in accordance with regulations of law on public investment and other lawful funding sources (if any).

The funding for upgrade, maintenance, management, operation of SME Assistance Portal, collection and addition of information to the SME assistance database shall be provided from regular expenditure budget in accordance with regulations of law on state budget and other lawful funding sources (if any).

Article 13. Counseling for SMEs

1. Counselor network

a) The counselor network shall be development on the basis of existing or new counselors and counseling organizations that are operating under relevant laws following these principles:

Counselors shall have qualifications and experience that meet the demands of SMEs and requirements of the Ministry or ministerial agency with which he/she registers.

Counseling organizations shall satisfy the conditions specified by relevant laws, meet the demands of SMEs and requirements of the Ministry or ministerial agency with which it registers.

b) Application for participation in the counselor network

For individuals, an application shall contain: the application form; CV; certified copies of qualifications and relevant documents issued by competent authorities.

For organizations, an application shall contain: the application form; certified copies of the Certificate of Enterprise Registration or Establishment Decision; competency profile; certified copies of profiles of counselors in the organization; certified copies of documents proving fulfillment of business conditions (in case of restricted business lines).

c) The applicant shall submit the application specified in Point b of this Clause, whether directly or online, to the units assigned to organize the counselor network of the Ministry or ministerial agency (hereinafter referred to as “receiving unit”) in order to be admitted to the counselor network and announced on the website of the Ministry or ministerial agency within 10 working days.

In case an applicant is not qualified, the receiving unit shall send a notification to the applicant, whether directly or online, within 10 working days from the day on which the application is received.

A counselor or counseling organization may participate in counselor networks of multiple Ministries and ministerial agencies all conditions and criteria are satisfied.

d) After being admitted to the counselor network and announced on the website of the Ministry or ministerial agencies, the counselor shall access www.business.gov.vn to register participation

in the counselor network database and start to provide counseling for SMEs in accordance with this Decree.

dd) The funding for Ministries and ministerial agencies to develop, operate, manage and maintain their counselor networks, funding for training and development of counselor networks shall be part of their annual funding for provision of assistance for SMEs and other lawful sources of funding (if any).

2. Counseling contents

SMEs will receive counseling about personnel, finance, manufacturing, sale, market, internal administration and other contents relevant to their business operation (except counseling about administrative procedures and legal advice according to relevant laws) as follows:

a) 100% of the value of the advisory contract but not exceeding 50 million VND/year/enterprise for micro-enterprises, not exceeding 70 million VND/year/enterprise for women-owned micro-enterprises, micro-enterprises with high female employment and micro-enterprises that are social enterprises;

b) Reimbursement of up to 50% of the value of the advisory contract but not exceeding 100 million VND/year/enterprise for small enterprises, not exceeding 150 million VND/year/enterprise for women-owned small enterprises, small enterprises with high female employment and small enterprises that are social enterprises;

c) Reimbursement of up to 30% of the value of the advisory contract but not exceeding 150 million VND/year/enterprise for medium enterprises, not exceeding 200 million VND/year/enterprise for women-owned medium enterprises, medium enterprises with high female employment and medium enterprises that are social enterprises.

Article 14. Assistance in development of human resource for SMEs

1. Assistance in direct training in entrepreneurship and business administration

a) Reimbursement of 100% of the total cost of a training course in entrepreneurship and up to 70% cost of a training course in business administration for SMEs;

b) Exemption of tuition fees for employees of SMEs in extremely disadvantaged areas, women-owned SMEs, SMEs with high female employments and SMEs that are social enterprises who participate in business administration courses.

2. Assistance in online training in entrepreneurship and business administration

a) Exemption of fees for access and participation in existing lectures on the online training systems of the Ministry of Planning and Investment and the People's Committees of provinces. SMEs may access these online training systems at appropriate times. An online training includes an online training administration platform, online training platform and online lectures.

The funding for the Ministry of Planning and Investment and the People's Committees of provinces to develop, maintain and upgrade the online training system; carry out surveys into the demand for online training; publicize, advertise the online training systems to SMEs shall be part of the annual budget for provision of assistance for SMEs of the Ministry of Planning and Investment, the People's Committees of provinces and other lawful sources of funding (if any).

b) Exemption of fees for participation in online training courses, direct interaction with SMEs via existing teaching tools on smart devices of participants (Zoom Cloud Meeting, Microsoft Teams, Google Classroom and other tools).

3. Assistance in direct training at SMEs in the field of production and processing

a) Reimbursement of up to 70% of total cost of a training course at each SME but not exceeding 01 course/year/enterprise;

b) Reimbursement of 100% of total cost of a training course at women-owned SMEs, SMEs with high female employments and SMEs that are social enterprises but not exceeding 01 course/year/enterprise;

4. Assistance in vocational training

Assist in covering the cost of training employees of SMEs when they participate in fundamental vocational training courses or any training course that lasts not more than 03 months. Other costs shall be negotiated by the SMEs and their employees. Employees who participate in the training courses must have been working for the SME for at least 06 consecutive months.

Chapter IV

ASSISTANCE FOR SMES CONVERTED FROM HOUSEHOLD BUSINESSES, STARTUPS, SMES PARTICIPATING IN INDUSTRY CLUSTERS, VALUE CHAINS

Section 1. Assistance for SMEs converted from household businesses

Article 15. Assistance in counseling, preparation of documentation and completion of procedures for enterprise establishment

1. The People's Committees of provinces shall assign their Departments of Planning and Investment to provide counseling and instructions for household businesses to convert into enterprises free of charge regarding the following issues:

a) Documentation and procedures for enterprise registration;

b) Documentation and procedures for registration of the certificate of eligibility for conditional business lines (if any).

2. A household business that wishes to receive the instructions mentioned in Clause 1 of this Article shall submit a physical or electronic application to the Department of Planning and Investment, including: valid copy of the Business Registration Certificate of the household

business; valid copy of the TIN registration certificate; valid copies of documents proving payment of licensing fees, taxes and other amounts payable to state budget (if any), tax declaration forms within 01 years before conversion.

Within 03 working days from the receipt of the application, the Department of Planning and Investment shall provide counseling and instructions on the issues specified in Clause 1 of this Article free of charge.

Article 16. Assistance in enterprise registration and publishing of enterprise's information

SMEs that are converted from household businesses will be exempted from paying the fee for enterprise registration for the first time at the business registration authority, the fee for publishing of the enterprise's in for the first time on National Enterprise Registration Portal.

Article 17. Assistance in completion of procedures for registration of conditional business lines

An SME that is converted from a household business that keep operating in their conditional business lines without changing the scale shall submit a request to relevant competent authorities to be granted documents about fulfillment of business conditions.

Within 03 working days from the day on which the request is received, the competent authority shall issue the aforementioned documents to the SME.

Article 18. Assistance in licensing fees

SMEs converted from household businesses will be exempted from licensing fees for 03 years from the issuance of the first Certificate of Enterprise Registration.

Article 19. Counseling, instructing completion of tax procedures and accounting

1. SMEs converted from household businesses will receive complimentary counseling and instructions about completion of tax procedures and accounting for 03 years from the issuance of the first Certificate of Enterprise Registration.

2. The People's Committees of provinces shall request their Departments of Finance to counsel and instruct SMEs to complete tax procedures and accounting mentioned in Clause 1 of this Article.

Section 2. ASSISTANCE FOR STARTUPS

Article 20. Criteria for identification of startups

A startup defined in Clause 2 Article 3 of the Law on Provision of Assistance for Small and Medium Enterprises shall be identified according to one of the following criteria:

1. Production, sale of products derived from inventions, useful solutions, industrial designs, integrated circuit (IC) designs, computer software, cell phone applications, cloud computing, new animal breeds, plant varieties, aquatic organism breeds.
2. Production, sale of products that are created from trial production projects, prototypes and technology completion; production, sale of products that win national, international prizes for entrepreneurship, startups and science and technology prizes in accordance with regulations of law on science and technology prizes.
3. There are new technological solutions or business models that might increase the enterprise's revenue by at least 20% in 02 consecutive years on the basis of analysis of market share, prospective development of the products and competitiveness of the enterprise.

Article 21. Method for selection of startups eligible for assistance

According to the criteria specified in Article 20 of this Decree and the conditions specified in Clause 1 Article 17 of the Law on Provision of Assistance for Small and Medium Enterprises, assisting organizations shall select eligible enterprises as follows:

1. Select enterprises that won national or international prizes for startups or have startup-related products or projects, or are granted patents; or are granted science and technology enterprise certificate, high technology enterprise certificate or high technology-applying enterprise certificate.
2. Select enterprises that have been invested in or will be invested in under commitment of startup investment funds; receive assistance or will receive assistance from co-working spaces, startup assistance organizations, service providers, incubation facilities, business promotion facilities, startup centers as prescribed by investment laws.
3. Selection via a Council:

Assisting organizations may establish a Council to select eligible startups according to the criteria specified in Article 20 of this Decree following these principles:

- a) The quantity of members and working mechanism of the Council shall be decided by the establishing authority;
- b) At least 50% of the Council members shall be independent counselors. Other members shall be representatives of assisting organizations and work on a part-time basis;
- c) Operating budget of the Council shall be included in the budget for provision of assistance for SMEs of the assisting organization.

Article 22. Contents of assistance for startups

1. Assistance in use of technical facilities, incubation facilities, co-working spaces

a) Reimbursement of 100% of the cost of using equipment at technical facilities, incubation facilities, co-working spaces but not exceeding 20 million VND/year/enterprise;

b) Reimbursement of up to 50% of the cost of leasing premises at incubation facilities, co-working spaces but not exceeding 5 million VND/year/enterprise for up to 03 years from the conclusion date of the lease contract.

2. Counseling intellectual property, use and development of intellectual property

a) Reimbursement of 100% of the value of the advisory contract for establishment, transfer, use and protection of intellectual property rights in Vietnam but not exceeding 30 VND/contract/year/enterprise;

b) Reimbursement of 100% of the value of the advisory contract for preparation of description of inventions, industrial designs, corporate visual identity system but not exceeding 30 VND/contract/year/enterprise;

c) Reimbursement of 100% of the value of the advisory contract for management and development of products and services with protected intellectual property rights in Vietnam but not exceeding 50 VND/contract/year/enterprise.

d) Reimbursement of up to 50% of the value of the advisory contract for establishment, transfer, use and protection of intellectual property rights in foreign countries but not exceeding 50 VND/contract/year/enterprise.

3. Assistance in completion of procedures relevant to technical regulations, standards, measurement, quality; testing, completion of new business models, products

a) Reimbursement of 100% of the value of the advisory contract for development and application of internal standards but not exceeding 10 VND/contract/year/enterprise; development and application of quality control system but not exceeding 50 million VND/contract/year/enterprise;

b) Reimbursement of up to 50% of the cost of testing sample measurement instruments; cost of inspection, calibration, testing of measurement instruments, measuring standards; cost of issuance of quantity seals of pre-packed goods according to technical measurement requirements but not exceeding 10 million VND/year/enterprise;

c) Reimbursement of up to 50% of the cost of testing new products at goods testing units or organizations but not exceeding 30 million/year/enterprise;

d) Reimbursement of up to 50% of the value of the advisory contract for completion of new products, services, business models, technologies but not exceeding 50 VND/contract/year/enterprise.

4. Technological assistance

Reimbursement of up to 50% of the value of the advisory contract for search, selection, decryption and technology transfer that is appropriate for the enterprise but not exceeding 100 VND/contract/year/enterprise.

5. Assistance in advanced training

a) Reimbursement of up to 50% of the cost of participation in advanced training courses in Vietnam by employees of enterprises regarding development, commercialization of products; development of e-commerce; capital raising; market development; connection of startup network with scientific research but not exceeding 5 million/employee/year and not exceeding 03 employees/enterprise/year;

b) Reimbursement of up to 50% of the costs of short-term advanced training courses in foreign countries but not exceeding 50 million VND/employee/year and not exceeding 02 employees/enterprise/year.

6. Assistance in information, trade promotion, connection of startup network

a) Exemption of fees for access of domestic and international standards and regulations; inventions, technology information, scientific research findings; information about connection of startup network, attraction of investment from startup investment funds on SME Assistance Portal and websites of Ministries, ministerial agencies, governmental agencies and the People's Committees of provinces;

d) Reimbursement of up to 50% of the value of the advisory contract for registration of seller accounts on international e-commerce platforms but not exceeding 100 VND/contract/year/enterprise;

c) Reimbursement of up to 50% of the cost of maintenance of accounts on domestic and international e-commerce platforms but not exceeding 50 million VND/year/enterprise and for up to 02 years after the account is successfully registered on the e-commerce platform;

d) Assistance in paying the cost of leasing location, design and construction of booths, transport of products for display, travel, stay of representatives of enterprises participating in trade promotion fairs but not exceeding 30 million VND/year/enterprise for domestic events and not exceeding 50 million VND/year/enterprise for overseas events;

dd) Reimbursement of up to 50% of the costs of participation in international startup competitions but not exceeding 30 million VND/competition/year/enterprise.

Section 3. ASSISTANCE FOR SMEs PARTICIPATING IN INDUSTRY CLUSTERS AND VALUE CHAINS

Article 23. Criteria for identification of industry clusters and selection of eligible SMEs participating industry clusters

1. An industry cluster shall satisfy all of the following criteria:

- a) There are enterprises that have production, business association in the same field or relevant fields and both compete and cooperate with each other;
- b) There are at least 10 enterprises that both cooperate and compete within a specific administrative division;
- c) There is participation of assisting organizations (research institutes, colleges, universities, associations and other relevant organizations).

2. SMEs participating in an industry cluster will be eligible for assistance if one of the following criteria is satisfied:

- a) There is a joint contract for purchase of raw materials;
- b) There is a joint contract for sale of products;
- c) There is a contract for sale, association between enterprises in the industry cluster;
- d) The brand is jointly developed and used.

Article 24. Criteria for identification of value chain and selection of eligible SMEs participating the value chain

1. An value chain shall satisfy all of the following criteria:

- a) Products are manufactured and distributed to consumers;
- b) There are leading enterprises in the value chain;
- c) There are SMEs with potential to provide products and services for leading enterprises.

2. An SME participating in a value chain will be eligible for assistance if one of the following criteria is satisfied:

- a) It is the chain leading enterprise;
- b) There are contracts for sale, cooperation, association with chain leading enterprises;
- c) It is considered by a chain leading enterprise or assisting organization a potential supplier of the chain leading enterprise.

Article 25. Contents of assistance for SMEs participating in industry clusters and value chains

1. Assistance in training

- a) Reimbursement of up to 50% of the cost of organizing advanced training courses in technology and production technology at the enterprise but not exceeding 50 VND/course/year/enterprise;

b) Reimbursement of up to 50% of the costs of advanced training for employees of the enterprise in order to develop the industry or value chain but not exceeding 10 million VND/employee/year and not exceeding 03 employees/enterprise/year.

2. Assistance in improving production and business association capacity

a) Reimbursement of 100% of the value of the advisory contract for comprehensive assessment of SMEs in the industry cluster or value chain but not exceeding 30 VND/contract/year/enterprise;

a) Reimbursement of 100% of the value of the advisory contract for advanced technical upgrade for SMEs to improve production capacity, meet the requirements for connection and become a supplier of chain leading enterprises but not exceeding 100 VND/contract/year/enterprise.

3. Assistance in information, brand development, connection and market expansion

a) Exemption from the fees for access the information about connection with chain leading enterprises, determination of demands of chain leading enterprises on SME Assistance Portal and websites of Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces;

b) Exemption from the fees for access the information about the systems of domestic and international standards and technical regulations in the field of the enterprises participating in the industry cluster or value chain on SME Assistance Portal and websites of Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces;

c) Reimbursement of up to 50% of the value of the advisory contract for registration of seller accounts on international e-commerce platforms but not exceeding 100 VND/contract/year/enterprise;

d) Reimbursement of up to 50% of the cost of maintenance of accounts on domestic and international e-commerce platforms but not exceeding 50 million VND/year/enterprise and for up to 02 years after the account is successfully registered on the e-commerce platform;

dd) Assistance in paying the cost of leasing location, design and construction of booths, transport of products for display, travel, stay of representatives of enterprises participating in trade promotion fairs but not exceeding 50 million VND/year/enterprise for domestic events and not exceeding 70 million VND/year/enterprise for overseas events;

e) Reimbursement of 100% of the value of the advisory contract for establishment, transfer, use and protection of intellectual property rights in the country but not exceeding 50 VND/contract/year/enterprise;

g) Reimbursement of 100% of the value of the advisory contract for search of information, advertising of products, development of the brands of the industry cluster and value chain but not exceeding 20 VND/contract/year/enterprise.

4. Counseling about technical regulations, standards, measurement, quality

a) Reimbursement of 100% of the value of the advisory contract for development and application of internal standards but not exceeding 10 VND/contract/year/enterprise; development and application of quality control system but not exceeding 50 million VND/contract/year/enterprise;

b) Reimbursement of up to 50% of the cost of testing sample measurement instruments; cost of inspection, calibration, testing of measurement instruments, measuring standards; cost of issuance of quantity seals of pre-packed goods according to technical measurement requirements but not exceeding 10 million VND/year/enterprise;

c) Reimbursement of 100% of the cost of issuance of certificate of conformity with technical regulations but not exceeding 20 million VND/product/year/enterprise.

5. Assistance in completion of procedures for experimental production, inspection, assessment, quality certification

a) Reimbursement of 100% of the cost of testing, inspection, assessment, certification of quality of products; cost of certification of quality control system but not exceeding 30 million/year/enterprise;

b) Reimbursement of up to 50% of the cost of testing new products and services at goods testing units or organizations by facilities, institutes, etc. but not exceeding 30 million VND/year/enterprise;

a) Reimbursement of up to 50% of the cost of using equipment at technical facilities, incubation facilities, co-working spaces but not exceeding 50 million VND/year/enterprise.

Section 4. SUBSIDIZED INTEREST RATE FOR STARTUPS, SMES PARTICIPATING IN INDUSTRY CLUSTERS, VALUE CHAINS

Article 26. Principles

In each period, startups, SMEs participating in industry clusters, value chains will be eligible for subsidized interest rates when taking medium-term, long-term loans from credit institutions to execute their business plans or projects following these principles:

1. The SMEs satisfy the criteria for startups specified in Article 20 of this Decree and the criteria for participation in industry clusters, value chains specified in Clause 2 Article 23, Clause 2 Article 24 of this Article, and have not been granted preferential interest rates in by the State in the same period.

2. State budget shall subsidize interest rates after investment is completed. Each enterprise will receive this kind of assistance for 01 business plan/project in a period.

3. Borrowing enterprises shall be assessed by the credit institutions and granted loans in accordance with regulations of law on lending by credit institutions.

Article 27. Subsidy rates

1. In each period, startups, the difference in interest rates shall be subsidized by state budget for loans granted by credit institutions to startups, SMEs participating in industry clusters and value chain at the rate of 2%/year.
2. Credit institutions shall grant subsidized loans to startups, SMEs participating in industry clusters and value chain within the estimated budget set up by the State; make advances, payments, statements in accordance with law and instructions of competent authorities.
3. SMEs that are eligible for subsidized interest rates shall be legally responsible for the accuracy of information they provide about their ability for subsidized interest rates; return the subsidized amount if regulations of law on subsidized interest rates and lending by credit institutions are violated.

Chapter V

ORGANIZATION OF IMPLEMENTATION

Article 28. Responsibilities of Ministries, ministerial agencies, governmental agencies

1. The Ministry of Planning and Investment shall assist the Government in uniform management of provision of assistance for SMEs, and:
 - a) Draft and promulgate or propose to competent authorities for promulgation of legislative documents on provision of assistance for SMEs;
 - b) Prepare and submit to competent authorities medium-term and annual public investment plans for provision of assistance for SMEs in accordance with Clause 5 Article 11 and Section 4 Chapter IV of this Decree in accordance with regulations of law on public investment;
 - c) Prepare annual plans and state budget estimates for provision of assistance for SMEs; cooperate with the Ministry of Finance in provision of regular funding from central government budget for Ministries, ministerial agencies, governmental agencies and local governments that have budget deficits in order to provide assistance for the Law on State Budget and its guiding documents;
 - d) Organize the development, management and maintenance of the SME Assistance Portal and database; take charge and cooperate with relevant organizations in establishing, connecting and sharing information with the SME assistance and database;
- a) Preside over the development of the online training system according to Point a Clause 2 Article 14 of this Decree, which is funded by central government budget;
- e) Provide guidelines for provision of technological assistance; counseling; dev of human resources for SMEs; provision of assistance for startups, SMEs participating in industry clusters, value chains, management of SME assistance activities specified in this Decree;

g) Take charge and cooperate with relevant agencies in developing a set of tools for assessment of capacity for participation in value chains of SMEs, which is the basis for assisting organizations and relevant to organizations to select SMEs eligible for assistance;

h) Annual review and publish the list of central and local assisting organizations on SME Assistance Portal.

2. The Ministry of Finance shall:

a) Annually, on the basis of the plan and state budget estimate for provision of assistance for SMEs prepared by the Ministry of Planning and Investment and capacity of state budget, provide funding for SME assistance in accordance with the Law on State Budget, the Law on Provision of Assistance for Small and Medium Enterprises and this Decree;

b) Provide guidelines for use of regular funding from state budget for provision of assistance for SMEs according to Clauses 1, 2, 3, 4 Article 11, Article 12, Article 13, Article 14, Article 22, Article 25; budgets for assistance activities specified in this Decree;

c) Propose to policies on subsidy on interest rates of loans taken by startups, SMEs participating in industry clusters and value chains to the Prime Minister for promulgation. Preside over the process of temporary provision of subsidy on interest rate difference for credit institutions on the basis of state budget estimates specified in Section 4 Chapter IV of this Decree.

3. The Ministry of Labor, War Invalid and Social Affairs shall take charge and cooperate with the Ministry of Finance and relevant agencies in providing guidelines for provision of assistance in vocational training for employees of SMEs as prescribed in Clause 4 Article 14 of this Decree.

4. State Bank of Vietnam shall:

a) Estimate the demand for interest rate subsidy of credit institutions for loans granted to startups, SMEs participating in industry clusters, value chains; send them to the Ministry of Planning and Investment for inclusion in the medium-term and annual public investment plans in accordance with public investment laws;

b) Provide guidelines for credit institutions procedures grant subsidized loans to startups, SMEs participating in industry clusters, value chains in accordance with Section 4 Chapter IV of this Decree;

c) Cooperate with the Ministry of Finance in reviewing, comparing interest rate subsidy statements prepared by credit institutions.

5. Other Ministries, ministerial agencies, governmental agencies, within the scope of their duties and entitlements, shall:

a) On the basis of the nature and objectives of assistance, consider promulgating specific regulations on the criteria specified in Article 20, Article 23, Article 24 of this Decree; ensure their conformity with relevant laws;

b) In consideration of available resources, prepare annual and medium-term plans and state budget estimates for SME assistance within their jurisdiction in accordance with the Law on Provision of Assistance for Small and Medium Enterprises and this Decree, send them to the Ministry of Planning and Investment for inclusion in annual and medium-term budget estimates for SME assistance;

c) Before December 15 every year, send reports to the Ministry of Planning and Investment on implementation of SME assistance schemes, programs, plans within their jurisdiction in accordance with this Decree;

s) Provide, update information about SME assistance; disclose information in accordance with Clause 1 Article 14 of the Law on Provision of Assistance for Small and Medium Enterprises on their websites and SME Assistance Portal in accordance with Article 29 of the Law on Provision of Assistance for Small and Medium Enterprises;

dd) Promulgate regulations on fields of counseling and criteria for recognition of counselors and counseling organizations in their counselor networks; upload the these criteria and list of counselors in the network on their websites and send them to the Ministry of Planning and Investment for updating to the counselor network database on SME Assistance Portal; assign affiliated units to take charge of admission of counselors to their networks, manage, operate and maintain their counselor networks;

e) Provide annual funding from annual and medium-term state budget estimates for SME assistance.

Article 29. Responsibilities of the People's Committees of provinces

1. Request the Department of Planning and Investment to take charge and cooperate with other Departments in developing SME assistance contents, schemes, programs and plans in the province and submit them to the People's Committee of the province for approval.

2. The People's Committees of a province may propose higher assistance levels than those specified in this Decree from local government budget to the People's Council of the same province.

3. a) On the basis of the nature and objectives of assistance, provide guidance on specific criteria specified in Article 20, Article 23, Article 24 of this Decree; ensure their practicality and conformity with relevant laws.

4. In consideration of available resources, prepare annual and medium-term plans and state budget estimates for SME assistance and submit them to the People's Council of the province for approval; request relevant agencies to organize provision of assistance for SMEs in accordance with the Law on Provision of Assistance for Small and Medium Enterprises and this Decree; request extra funding from central government budget for SME assistance in case of local government budget deficit.

5. In case an SME Assistance Scheme of the province is formulated, the People's Committee of the province shall make an announcement on its website and send a notification to the Ministry of Planning and Investment for announcement on SME Assistance Portal in accordance with Clause

3 Article 29 of the Law on Provision of Assistance for Small and Medium Enterprises after the scheme is approved.

6. Provide, update information about SME assistance; disclose information in accordance with Clause 1 Article 14 of the Law on Provision of Assistance for Small and Medium Enterprises on the province's website and disclose information about SME assistance on SME Assistance Portal in accordance with Article 29 of the Law on Provision of Assistance for Small and Medium Enterprises.

7. Before December 15 every year, send reports to the Ministry of Planning and Investment on implementation of SME assistance schemes, programs, plans in their provinces in accordance with this Decree.

Article 30. Responsibilities of socio-political-professional organizations, social organizations, social-professional organizations

1. Cooperate with Ministries, ministerial agencies, governmental agencies, the People's Committees of provinces in providing assistance for SMEs in accordance with Article 26 of the Law on Provision of Assistance for Small and Medium Enterprises and this Decree.

2. Socio-political-professional organizations, social organizations, social-professional organizations that operate on a national scale or inter-provincial scale shall prepare annual and medium-term plans, propose demands and funding to the Ministry of Planning and Investment; organize the provision of assistance for SMEs within the scope of their duties; submit reports on SME assistance to assigning authorities.

3. Local socio-political-professional organizations, social organizations, social-professional organizations shall, within the scope of their fields and responsible for areas, prepare annual and medium-term plans, propose demands and funding to the Department of Planning and Investment; organize the provision of assistance for SMEs within the scope of their duties; submit reports on SME assistance to assigning authorities.

4. Mobilize resources and provide assistance for SMEs in accordance with this Decree.

Article 31. Responsibilities of assisting organizations in withdrawal of funding

1. Assisting organizations shall withdraw provided funding if the SME is found to have provided false information, used the funding for unintended purposes and fail to fulfill its commitments.

2. Withdrawal of funding mentioned in Clause 1 of this Article shall be carried out in accordance with regulations of law.

Article 32. Assistance procedures

1. SMEs shall receive assistance via assisting organizations. Each SME shall submit an application for assistance specified in Clause 4 of this Article, whether directly or online, to the assisting organization.

2. For assistance in the form of information, development of human resources, assistance for SMEs converted from household businesses: Assisting organizations shall adhere to the plan and allocated state budget funding.

3. For assistance in the form of counseling, technology, assistance for startups, SMEs participating in industry clusters or value chains:

a) Within 14 working days from the receipt of the application, the assisting organization shall send the applying enterprise a physical or electronic response. If the enterprise is not eligible, the assisting organization shall send a notification of rejection. If the enterprise is eligible but the application is not satisfactory the assisting organization shall instruct the enterprise to complete the application. If the enterprise is eligible and the application is satisfactory, the assisting organization shall notify the enterprise of its eligibility for assistance, specify assistance contents, funding from state budget and funding from other sources (if any).

b) In case the assisting organization is capable of directly providing products or services as assistance for the SME:

After receiving the notification of assistance, the assisting organization and the SME shall enter into a contract which specify the funding from state budget, the costs covered by the SME, other costs (if any) and payment clauses. On the basis of the result of contract execution, both parties shall settle the costs of the contract as per regulations.

c) In case the assisting organization cooperates with another organization that is capable of directly providing products or services as assistance for the SME (hereinafter referred to as “supplier”):

After receiving the notification of assistance, the assisting organization, the supplier and the SME shall enter into a contract which specify the funding from state budget, the costs covered by the SME, other costs (if any) and payment clauses. On the basis of the result of contract execution, the three parties shall settle the costs of the contract as per regulations.

d) The use, provision, statement of state budget funding in the cases specified in Point b and Point c of this Clause shall comply with regulations of law on state budget and their guiding documents.

4. An application for assistance shall contain:

a) The application form provided in the Appendix hereof;

b) Documents relevant to the requested assistance (if any).

5. An application for provision of state budget funding shall contain:

a) The notification of provision of assistance for the SME;

b) The contract, contract finalization record (if any) between the SME and the assisting organization;

c) Relevant invoices and financial documents.

Chapter VI

IMPLEMENTATION CLAUSES

Article 33. Transition clauses

1. From the effective date of this Decree, ongoing SME assistance activities that begun before the effective date of this Decree may be carried on under approved contents, programs and plans, and the SMEs will also receive new assistance under this Decree.
2. In case an SME submits the application for assistance before the effective date of this Decree which has not been granted by the assisting organization, the SME shall re-submit the application or supplement the application in accordance with this Decree in order to receive assistance as per regulations.
3. SME assistance in the legislative documents that are promulgated pursuant to the Government's Decree No. 39/2018/ND-CP dated March 11, 2018 elaborating some Articles of the Law on Provision of Assistance for Small and Medium Enterprises shall be adjusted according to this Decree.

Article 34. Effect

This Decree comes into force from October 15, 2021 and replaces the Government's Decree No. 39/2018/ND-CP dated March 11, 2018 elaborating some Articles of the Law on Provision of Assistance for Small and Medium Enterprises.

Article 35. Responsibility for implementation

1. The Ministry of Planning and Investment shall provide guidelines; take charge and cooperate with other Ministers, ministerial agencies, governmental agencies, the People's Committees of provinces in implementation of this Decree; submit periodic reports to the Prime Minister.
2. Ministers, heads of ministerial agencies, heads of governmental agencies, Presidents of the People's Committees of provinces are responsible for the implementation of this Decree.

**ON BEHALF OF
THE GOVERNMENT
PP THE PRIME MINISTER
DEPUTY PRIME MINISTER**

Le Minh Khai

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