

Viet Nam

1. This report is Viet Nam's first annual peer review report. Consistent with the agreed methodology this report covers: (i) the domestic legal and administrative framework, (ii) the exchange of information framework as well as (iii) the appropriate use of CbC reports. The filing obligation for a CbC report in Viet Nam applies to reporting fiscal years commencing on or after 1 May 2017.

Summary of key findings

2. Viet Nam's implementation of the Action 13 domestic legal and administrative framework meets all applicable terms of reference (OECD, 2017^[2]), except that:

- It is recommended that Viet Nam take steps to amend its legislation or otherwise issue detailed definitions and requirements to bring it in line with the Action 13 minimum standard
- It is recommended that Viet Nam take steps to amend its legislation or otherwise clarify that local filing in Viet Nam is only required in line with the minimum standard for Action 13.
- It is recommended that Viet Nam amend its legislation or otherwise take steps to ensure that enforcement provisions relating to the CbCR's effective implementation are provided for as required by the terms of reference as soon as possible.

3. It is recommended that Viet Nam take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which it has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

4. It is recommended that Viet Nam take steps to implement processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework as soon as possible.

5. It is recommended that Viet Nam take steps to ensure that the appropriate use condition is met as soon as possible.

Part A: The domestic legal and administrative framework

(a) Parent entity filing obligation

6. Viet Nam has primary law which imposes a CbC filing obligation on Ultimate Parent Entities of MNE Groups which have a consolidated group revenue above VND 18,000 billion but does not include definitions of MNE Group, Constituent Entity, or MNE Group in its legislation. It is recommended that Viet Nam take steps to amend its legislation

or otherwise issue detailed definitions and requirements to bring it in line with the Action 13 minimum standard.

(b) Scope and timing of parent entity filing

7. Viet Nam does not include guidance beyond a partial copy of the Action 13 report model template on the contents of a CbC report in its legislation. It also does not specify a filing deadline.

8. It is recommended that Viet Nam take steps to amend its legislation or otherwise issue detailed definitions and requirements to bring it in line with the Action 13 minimum standard.

(c) Limitation on local filing obligation

9. Viet Nam has a requirement for local entities for all MNE groups which have a CbC filing requirement in their UPE's jurisdiction of residence to hold the report filed, for submission in Viet Nam if requested. This requirement is a form of local filing which is broader than the minimum standard. In addition, Viet Nam does not have a provision that allows a group to designate one constituent entity to meet the local filing requirements.

10. It is recommended that Viet Nam take steps to amend its legislation to require local filing only as allowed under the terms of the minimum standard.

(d) Limitation on local filing in case of surrogate filing

11. Viet Nam's legislation does not limit local filing in case of surrogate filing.

12. It is recommended that Viet Nam take steps to amend its legislation or otherwise impose a limitation on local filing in case of surrogate filing in line with the Action 13 minimum standard.

(e) Effective implementation

13. Viet Nam has no legal and administrative mechanisms in place to ensure effective implementation of the action 13 minimum standard.

14. It is recommended that Viet Nam take steps to implement a domestic legal and administrative framework to enforce and monitor effective implementation of reporting as soon as possible.

Conclusion

15. It is recommended that Viet Nam take steps to amend its legislation to require local filing only as allowed under the terms of the minimum standard

16. It is recommended that Viet Nam take steps to implement a domestic legal and administrative framework to enforce and monitor effective implementation of reporting as soon as possible.

Part B: The exchange of information framework

(a) Exchange of information framework

17. As of 31 May 2019, Viet Nam has no bilateral relationships in place for the exchange of CbC reports. It is recommended that Viet Nam take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Viet

Nam has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

(b) Content of information exchanged

18. Viet Nam does not have processes or written procedures in place that are intended to ensure that each of the mandatory fields of information as required in the CbC template are present in the information exchanged.

(c) Completeness of exchanges

19. Viet Nam does not have processes or written procedures in place that are intended to ensure that CbC reports are exchanged with all tax jurisdictions listed in Table 1 of a CbC reporting template with which it should exchange information as per the relevant QCAAs.

(d) Timeliness of exchanges

20. Viet Nam does not have processes or written procedures in place that are intended to ensure that the information to be exchanged is transmitted to the relevant jurisdictions in accordance with the timelines provided for in the relevant QCAAs and terms of reference.

(e) Temporary suspension of exchange or termination of QCAA

21. Viet Nam does not have processes or written procedures in place that are intended to ensure that a temporary suspension of the exchange of information or termination of a relevant QCAA be carried out only as per the conditions set out in the QCAA.

(f) Consultation with other Competent Authority before determining systemic failure or significant non-compliance

22. Viet Nam does not have processes or written procedures in place that are intended to ensure that the Competent Authority consults with the other Competent Authority prior to making a determination that there is or has been significant non-compliance with the terms of the relevant QCAA or that the other Competent Authority has caused a systemic failure.

(g) Format for information exchange

23. Viet Nam has not confirmed the format that will be used for the international exchange of CbC reports.

(h) Method for transmission

24. Viet Nam has not indicated that it uses the Common Transmission System, or any other mechanism, to exchange CbC reports.

Conclusion

25. It is recommended that Viet Nam take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Viet Nam has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

26. Further, it is recommended that Viet Nam take steps to implement processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework ahead of its first exchanges of information.

Part C: Appropriate use

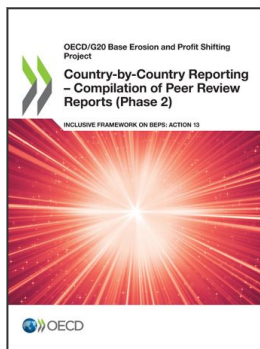
27. Viet Nam does not yet have measures in place relating to appropriate use. It is recommended that Viet Nam take steps to have measures in place relating to appropriate use ahead of the first exchanges of information remains in place.

Conclusion

28. It is recommended that Viet Nam take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information.

Summary of recommendations on the implementation of Country-by-Country Reporting

Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework	It is recommended that Viet Nam take steps to amend its legislation or otherwise issue detailed definitions and requirements to bring it in line with the Action 13 minimum standard
Part A	Domestic legal and administrative framework	It is recommended that Viet Nam take steps to amend its legislation or otherwise clarify that local filing in Viet Nam is only required in line with the minimum standard for Action13
Part A	Domestic legal and administrative framework	It is recommended that Viet Nam amend its legislation or otherwise take steps to ensure that enforcement provisions relating to the CbCR's effective implementation are provided for as required by the terms of reference as soon as possible.
Part B	Exchange of information framework	It is recommended that Viet Nam take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Viet Nam has an international exchange of information agreement in effect that allows for the automatic exchange of tax information
Part B	Exchange of information framework	It is recommended that Viet Nam take steps to implement processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework ahead of the first exchanges of information.
Part C	Appropriate use	It is recommended that Viet Nam take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.



From:

Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2)

Inclusive Framework on BEPS: Action 13

Access the complete publication at:

<https://doi.org/10.1787/f9bf1157-en>

Please cite this chapter as:

OECD (2019), “Viet Nam”, in *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/b1e00b5e-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.