

DEREGULATING SEVERAL PENALTIES IN THE FIELD OF CONSTRUCTION

On 17 February 2020, Government has promulgated Decree 21/2020/ND-CP ("Decree 21") amending, supplementing provisions of Decree 139/2017/ND-CP ("Decree 139") dated 27 November 2017 regulates the penalties for administrative violations against regulations on investment and construction.

Accordingly, Decree 21 has deregulated some articles in Decree 139 as follows:

- (i) Removing the fine ranging from VND 30 – 40 million dong regarding the selection of ineligible organizations, individuals to perform: the construction project formulation; the construction project appraisal;
- (ii) Removing a fine of VND 30 – 40 million dong for foreign contractors, who fails to publish information on the contractor's website about their construction activities as regulated by law;
- (iii) Removing a fine of VND 20 – 30 million dong for construction organizations with one of these activities: Failure to sign labor contracts with persons who hold key positions as stipulated by law, Key position holders' failure to possess professional training certificates in specialized activities of the construction project as stipulated by law;
- (iv) Removing a fine of VND 20 – 40 million dong regarding failure to satisfy capacity requirements for formulation of planning for development of building materials, or planning for use of minerals as building materials;
- (v) Removing a fine of VND 40 – 50 million dong for failure to satisfy eligibility requirements for organization of professional training courses in construction.

(vi) Removing a fine of VND 2 – 5 million dong for employing unqualified lecturers on training and improving knowledge of real estate brokerage practice, and management of real estate exchanges;

(vii) Removing a fine of VND 10 – 20 million dong for one the following violations: Failure to organize training courses at the prescribed training locations; employing unqualified lecturers to perform training in management of apartment buildings.

In addition, Decree 21 has also removed the remedial measures relating to the abovementioned administrative violations.

Please remark:

- In case the abovementioned violations happening before 01 April 2020 and there has been administrative sanctioning decision of a competent person but it has not been implemented yet, it shall continue to comply with the regulations;
- In case the abovementioned violations have been recorded in a written record of the administrative violation or found out after 01 April 2020, then no administrative penalties shall be imposed.

Decree 21 will take into force on 01 April 2020.

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