

INTERMINISTERIAL CIRCULAR PROVIDING GUIDELINES ON DECREE 06-2000-ND-CP OF THE GOVERNMENT DATED MARCH 2000 ON FOREIGN CO-OPERATION AND INVESTMENT IN FIELDS OF MEDICAL EXAMINATION AND TREATMENT, EDUCATION AND TRAINING AND SCIENTIFIC RESEARCH

Pursuant to the *Law on Foreign Investment in Vietnam* dated 12 November 1996 as amended on 9 June 2000;

Pursuant to the *Law on Education* dated 2 December 1998;

Pursuant to Decree 24-2000-ND-CP of the Government dated 3 July 2000 providing detailed regulations on implementation of the *Law on Foreign Investment in Vietnam* as amended by Decree 27-2003-ND-CP of the Government dated 19 March 2003;

Pursuant to Decree 06-2000-ND-CP of the Government dated 6 March 2000 on Foreign Co-operation and Investment in Fields of Medical Examination and Treatment, Education and Training and Scientific Research;

The Ministry of Education and Training and the Ministry of Planning and Investment provide the following guidelines on establishment and management of educational establishments with foreign owned capital in Vietnam:

CHAPTER I

General Provisions

Article 1 *Governing scope and entities permitted to participate in co-operation in education*

1. This Circular provides guidelines on the conditions and procedures for establishment of educational establishments with foreign owned capital and on registration of their activities pursuant to Decree 06-2000-ND-CP of the Government dated 6 March 2000.
2. Educational establishments with foreign owned capital operating in Vietnam for not-for-profit purposes and vocational training establishments with foreign owned capital shall not be within the governing scope of this Circular.

3. *Foreign investors* shall comprise:
 - (a) Foreign educational establishments;
 - (b) Foreign economic organizations and individuals;
 - (c) Vietnamese residing overseas.
4. *Vietnamese investors* shall comprise:
 - (a) Educational establishments within the national education system;
 - (b) Professional units with the function of providing training;
 - (c) Economic organizations, comprising:
 - Enterprises established in accordance with the *Law on Enterprises*;
 - State owned enterprises established in accordance with the Law on State Owned Enterprises;
 - Enterprises established in accordance with the Law on Foreign Investment;
 - Enterprises belonging to political organizations and socio-political organizations;
 - Co-operatives established in accordance with the Law on Co-operatives.

Article 2 *Forms of investment in education and training sector*

The entities stipulated in clauses 3 and 4 of article 1 of this Circular shall be permitted to invest in the education and training sector in one of the following forms of investment:

1. Establishment of an educational establishment with foreign owned capital in the form of one hundred (100) per cent foreign owned (referred to as 100% foreign owned educational establishment). These establishments shall be owned and managed by the foreign investor which shall bear responsibility for the results of the conduct of the educational and training activities.
2. Establishment of an educational establishment with foreign owned capital in the form of a joint venture on the basis of a joint venture contract signed by two or more parties in order to invest in and conduct educational and training activities in Vietnam (referred to as joint venture educational establishment).
3. Co-operation in education on the basis of a business co-operation contract signed by two or more parties in order to invest in and conduct educational and training activities in Vietnam, which contract stipulates the responsibilities of and the sharing of business results between the parties without creating a new legal entity.

(All of these forms are hereinafter referred to as *educational establishments with foreign owned capital*).

Article 3 *Study and training levels and grades at which foreign investors are permitted to establish educational establishments and to co-operate in education:*

1. 100% foreign owned educational establishments, joint venture educational establishments and business co-operation contracts shall be permitted to conduct educational and training

activities at every training level and grade (from nursery school through to university and post-graduate, and short-term training) for foreigners living and working in Vietnam.

2. 100% foreign owned educational establishments, joint venture educational establishments and business co-operation contracts shall be permitted to conduct educational and training activities at the level of specialized secondary schools and short-term training establishments (foreign language teaching and upgrading professional skills and qualifications for foreigners and for Vietnamese).
3. 100% foreign owned educational establishments, joint venture educational establishments and business co-operation contracts shall be permitted to conduct educational and training operations at the college, university and post-graduate levels (with priority to the faculties listed in Appendix 1) for foreigners and for Vietnamese.
4. Pilot schemes for establishment of educational establishments with foreign owned capital in the form of joint venture or business co-operation contract in Hanoi and Ho Chi Minh City in order to conduct educational activities at the high school level for foreigners and for Vietnamese.

Article 4 *Names of educational establishments with foreign owned capital*

1. Educational establishments with foreign owned capital shall be established in the form of a School or Centre and shall be named in accordance with the following principles:
 - (a) School (or Centre) + Study Level or Grade (or training level) + Private Name.
 - (b) A Centre which conducts short-term educational and training activities shall be named in accordance with the following principles: Educational Centre + Private Name or Educational and Training Centre + Private Name.
2. In addition to an international trading name in English (or another foreign language), the name of an educational establishment with foreign owned capital must have a trading name in Vietnamese.
3. In the case of an educational establishment with foreign owned capital in which an overseas educational establishment invests, if the former takes the name of the head educational establishment in the overseas country, the name of the educational establishment established in Vietnam must have the additional word "Vietnam" at the end of the name of the establishment.

CHAPTER II

Conditions and Procedures for Establishment of Establishments and for Registration of Operation

Article 5 *Conditions applicable to investors*

1. An investor must be an organization with legal entity status or an individual and must be certified by the local authorities (legal entities must have a certificate of establishment or a business registration certificate and the relevant legal file, and the relevant documents of individuals must be legalized by a Consulate).



Documents of an investor which have been certified by an overseas body must be legalized by the Vietnamese Ministry of Foreign Affairs or by a diplomatic representative office or a Vietnamese Consulate overseas, unless otherwise provided in an international treaty signed by Vietnam.

2. Investors must have an investment project which complies with the strategy for the development of education and the master plan for the network of education and training establishments of Vietnam as approved, and there must be written approval for the project from the people's committee of the province or city under central authority in the place where the establishment is proposed to be established. If the project proposes investment in training at the college or university level which is not yet referred to in the master plan for the network, the Ministry of Planning and Investment and the Ministry of Education and Training shall investigate each specific case and make a submission to the Prime Minister of the Government for his consideration and decision.
3. Investors must have sufficient financial capability to implement the investment project (written certification from the responsible body, bank, and audited financial statements for the two most recent years).
4. Investors must have adequate initial staffing conditions, namely, management personnel and teachers, and appropriate material facilities in order to achieve the educational and training goals.

Article 6 *Conditions on investment capital and material facilities*

1. Projects applying for establishment of a new educational establishment with foreign owned capital being a nursery school or a high school in Vietnam must have a minimum investment rate of one thousand (1,000) United States dollars (USD) per student (excluding land use costs). The number of students to be used when calculating the scale of students shall be the number at the final investment stage of the project. Planned investment capital must match the proposed scale of each stage.
2. Projects applying for establishment of a new short-term training establishment in Vietnam must have a minimum investment rate of seven hundred (700) USD per student (excluding land use costs). The number of students to be used when calculating the scale of students shall be the number converted from all stages at the final investment stage of the project.
3. Projects applying for establishment of a new educational establishment with foreign owned capital being a specialized secondary school must have a minimum investment rate of three thousand and five hundred (3,500) USD per student (excluding land use costs). The number of students to be used when calculating the scale of students shall be the number converted from all stages at the final investment stage of the project. Planned investment capital must match the proposed scale of each stage.
4. Projects applying for establishment of a new educational establishment with foreign owned capital being a college or university (or a branch in Vietnam of an overseas college or university) must have a minimum investment rate of seven thousand (7,000) USD per student (excluding land use costs). The number of students to be used when calculating the scale of students shall be the number converted from all stages at the final investment



stage of the project. Planned investment capital must match the proposed scale of each stage.

5. In the case of an educational establishment with foreign owned capital not constructing new physical facilities but sub-leasing them, or in the case where the Vietnamese party contributes capital in the form of existing physical facilities in order to conduct the activities, the minimum investment rate shall be sixty (60) per cent of the levels stipulated in clauses 1, 2, 3 and 4 of this article. The sub-leasing of physical facilities in order to conduct activities shall not apply for longer than five years in the case of an educational establishment with foreign owned capital providing training at the college and university levels (including branches of an overseas college or university).
6. In the case of a project in the form of joint venture or business co-operation contract between a foreign party and a Vietnamese party which is an educational establishment at the same level at which the educational establishment with foreign owned capital proposes to conduct teaching and training, the minimum investment rate shall be considered on a case-by-case basis and on the basis of the particular project as formulated by the investor.
7. If an educational establishment with foreign owned capital registers to operate for more than twenty (20) years in Vietnam, it must have a plan for use of physical facilities of a school or centre, and there must be written approval from the people's committee of the province or city under central authority to allocate or lease land to build the establishment. In the initial stage (maximum of five years), such establishments must have a contract (or agreement in principle) for the stable lease of a building in order to enable commencement of teaching and training, and they must guarantee that investment in facilities will correctly accord with the schedule for the project.
8. If an educational establishment with foreign owned capital registers to operate for twenty (20) years or less and it does not construct its own building, it must have an appropriate contract or agreement in principle for the stable lease of a school, classrooms, working areas and subsidiary areas for a minimum period of five years.
9. The requirements on physical facilities of an establishment with foreign owned capital at the high school level:
 - (a) Classrooms must have appropriate lighting, seating, equipment and teaching apparatus;
 - (b) Study and lecture areas must ensure a minimum average ratio of three square metres per student, calculated on the number of students present in any one class period;
 - (c) There must be appropriate school headquarters offices, a staff room and meeting rooms;
 - (d) There must be a language laboratory, library, laboratory (in the case of a junior high school and a high school). The minimum requirement is satisfaction of Vietnamese standard TCVN 3978-1984;
 - (e) There must be a multi-purpose room for physical education and a play yard for the students;

- (f) There must be a clean water supply system and a hygiene system appropriate for the scale of the establishment. The minimum requirement is satisfaction of Vietnamese standard TCVN 3907-1984;
 - (g) There must be a dining room and a rest room if the study regime is throughout the whole of the day.
10. The requirements on physical facilities of educational establishments with foreign owned capital conducting short-term training:
- (a) Classrooms must have appropriate lighting, seating and equipment;
 - (b) Study and lecture areas must ensure a minimum average ratio of two square metres per student, calculated on the number of students present in any one study shift;
 - (c) There must be an office for the board of management, a staff room and a library;
 - (d) There must be a computer room, a language laboratory, a practical work room and a laboratory, as appropriate for the faculties in which training has been registered;
 - (e) There must be essential equipment servicing both management and lecturing work.
11. The requirements on physical facilities of educational establishments with foreign owned capital being specialized secondary schools, colleges or universities:
- (a) Study areas, practical work rooms, and scientific research laboratories must ensure a minimum teaching area at the average level of seven square meters per student, including:
 - Lecture halls appropriate for the scale;
 - Laboratories and practical work rooms must contain adequate equipment as required by the faculties in which training is provided;
 - Library (traditional library and electronic library);
 - Language laboratories;
 - Computer room with internet access;
 - (b) Area for sports and physical education (playing field or hall for sports and physical exercises of students);
 - (c) Area for technical works, including water pumping station, transformer station, repair shop, storehouse and parking area for cars, motorcycles and bicycles;
 - (d) Office for heads of the school, college or university; lecturers and staff rooms, meeting rooms and work areas for other management sections of the establishment.

Article 7 *Teaching program and curriculum*

1. The teaching program of an educational establishment with foreign owned capital must be appropriate for the objectives of the approved project, study and training levels and grades; and it must not teach religion and must not be contrary to the law of Vietnam.



2. Where an investor is not an overseas educational establishment applying for establishment of a new educational establishment with foreign owned capital at the college or university level in Vietnam, there must be a written, official undertaking for support for the first five years of operation from a foreign college or university which has been operating for at least fifteen (15) years, ensuring supply of training programs which have been evaluated and of lecturers, until such establishment is itself able to ensure formulation of a training program, development of a staff of teachers, and has been evaluated and recognized by a Vietnamese or foreign evaluating body. The Ministry of Education and Training and the Ministry of Planning and Investment shall supervise the provision of this support.
3. Educational establishments with foreign owned capital at the high school level which have Vietnamese students must, in addition to using the particular teaching programs which the investor designed as part of the project, teach the subjects of Vietnamese philology and history currently being used and taught in the national education system of Vietnam.
4. Students who are Vietnamese citizens and who are studying at an educational establishment with foreign owned capital being a college or university must, in addition to completing the particular training program of such establishment, study and obtain a full diploma in Marxist-Leninist philosophy, Marxist-Leninist political economy, scientific socialism, history of the Communist Party of Vietnam, and ideology of Ho Chi Minh. Students who are Vietnamese citizens and who are studying at an educational establishment with foreign owned capital being a specialized secondary school must study and obtain a diploma in the subject of politics. The above programs means the programs which are currently being used and taught in the national education system of Vietnam. Educational establishments with foreign owned capital shall be responsible to liaise with an equivalent training establishment within the national education system of Vietnam in order to undertake these training activities.

Article 8 *Management personnel and teaching staff*

1. The director or principal of an educational establishment with foreign owned capital means the highest level person managing education who is also responsible before the law of Vietnam for the educational activities of the establishment that he or she manages, and the person appointed to this position must have at least five years' experience managing equivalent educational establishments.
2. In the case of educational establishments with foreign owned capital at the high school educational level, lecturers must have qualifications satisfying the requirements in article 67 of the Law on Education. The minimum requirement shall be a ratio of one point one five (1.15) lecturers per class in primary schools, one point eight five (1.85) lecturers per class in junior high schools, and two point one (2.1) lecturers per class in high schools.
3. In the case of specialized secondary schools and education and training centres:
 - (a) There shall be a maximum ratio of forty five (45) pupils to one lecturer;
 - (b) There must be at least thirty (30) per cent foreigners in the total number of lecturers in the establishment;
 - (c) Lecturers must have appropriate expert qualifications and at least three years' experience as lecturers.

4. In the case of educational establishments with foreign owned capital at the college and university levels:
 - (a) There must be a ratio of thirty (30) pupils to one lecturer in the faculties of economic management, natural sciences and foreign languages, and fifteen (15) pupils to one lecturer in technological and technical faculties;
 - (b) There must be more than fifty five (55) per cent of foreigners in the total number of lecturers at the establishment for its first five years, and this figure must be at least thirty (30) per cent after ten (10) years of operation;
 - (c) In the case of colleges, at least forty (40) per cent of lecturers must have a Ph. D and at least twenty five (25) per cent of the total number of teaching staff at the establishment must have a doctorate;
 - (d) In the case of universities, at least fifty (50) per cent of lecturers must have a Ph. D and at least twenty five (25) per cent of the total number of teaching staff at the establishment must have a doctorate;
 - (e) Lecturers must have at least three years' experience as lecturers at a college or university.
5. Investment projects of educational establishments with foreign owned capital must include a specific plan to build up the teaching staff in each developmental period.

Article 9 *Language to be used at lectures*

1. Educational establishments with foreign owned capital are encouraged to use languages such as English, French, Russian, Chinese, German and Japanese during lectures. Other foreign languages will be considered on a project-by-project basis.
2. Educational establishments with foreign owned capital shall not be permitted to teach using a translator (except for short-term training courses).

Article 10 *Degrees and diplomas*

The following provisions shall govern graduation degrees and diplomas of completion of study courses of educational establishments with foreign owned capital:

1. Degrees and diplomas of educational establishments with foreign owned capital may be issued after they have been officially registered with the Ministry of Education shall have legal validity throughout the whole of the territory of Vietnam.
2. The contents of degrees and diplomas of educational establishments with foreign owned capital shall be written in Vietnamese and English (or another foreign language).
3. If educational establishments with foreign owned capital wish to use official degrees issued by the Vietnamese Ministry of Education, they must do so in accordance with the relevant laws of Vietnam.
4. Educational establishments with foreign owned capital at the high school level shall be responsible to report to the State body directly administering education for approval of their list of students graduating in any one scholastic year (including a list of any students who graduate after passing supplementary exams). Lists of pupils graduating from the primary school level shall be sent to the Office of Education and Training; and lists of pupils



graduating from the junior high and high school levels shall be sent to the Department of Education and Training. After approval by the body administering education, educational establishments with foreign owned capital shall issue degrees confirming graduation at the appropriate levels and grades, and degrees must bear the seal of the establishment and the signature of the principal.

5. Educational establishments with foreign owned capital conducting short-term training shall issue diplomas to students who complete training courses, and the diplomas shall bear the seal of the establishment and the signature of the director or principal.
6. Educational establishments with foreign owned capital conducting training at the specialized secondary school level shall issue graduation degrees to students who complete training courses, and the degrees shall bear the seal of the establishment and the signature of the principal or director.
7. In the case of an educational establishment with foreign owned capital conducting training at the college or university level and not being an establishment in which an overseas educational establishment invests, if in the first five years of its operation it has not yet been recognized by an overseas evaluation body, the degree which it issues to its graduates must be the degree of the overseas university which has given the undertaking stipulated in article 7.2 of this Circular, or it must be a degree with the seal of such overseas university and the seal of the educational establishment with foreign owned capital in Vietnam.
8. An educational establishment with foreign owned capital which is an establishment in which an overseas college or university invests shall issue students with graduation degrees which are degrees of the main school overseas. If they issue degrees which are degrees of the establishment which has been established in Vietnam, they must undertake evaluation and receive quality recognition by a Vietnamese or foreign evaluating body and, at the same time, must be approved by the Ministry of Education and Training.
9. When an educational establishment with foreign owned capital in the form of a business co-operation contract between a foreign party and a Vietnamese party issues students with graduation degrees or diplomas on completion of training courses, they may issue degrees or diplomas bearing the seals of both business co-operation parties when both parties are education and training establishments with the function of providing education and training at the corresponding level, or bearing the seal of the foreign party (if it is an education and training establishment) or of the Vietnamese party (if it is an education and training establishment).

Article 11 *Files for evaluation for issuance of investment licences*

Files for evaluation for issuance of investment licences for educational establishments with foreign owned capital shall comply with article 107.1 of Decree 24-2000-ND-CP of the Government dated 31 July 2000 and with article 6.2 of Circular 12-2000-TT-BKH of the Ministry of Planning and Investment dated 15 September 2000 and, in addition, shall contain:

- Sample form of the degree or diploma which will be issued to students;
- List of equipment servicing lecturing and study work;



- Teaching programs, materials and data which will be used;
- List of staff, teachers and lecturers, including any guest lecturers;
- Contract for lease of buildings or land allocation certificate (or land lease certificate) from the competent Vietnamese authorities;
- Zoning map of the ground surface of the establishment.

Article 12 *Procedures for evaluation for issuance of investment licences*

Procedures for evaluation for issuance of investment licences shall comply with articles 109, 114 and 115 of Decree 24-2000-ND-CP of the Government dated 31 July 2000 (as amended by Decree 27-2003-ND-CP dated 19 March 2003) providing detailed regulations on implementation of the *Law on Foreign Investment*.

Article 13 *Notice of founding of educational establishment with foreign owned capital*

Within a time-limit of ninety (90) days from the date of issuance of an investment licence, an educational establishment with foreign owned capital must publish a notice in five consecutive editions of a daily newspaper with the following particulars:

1. Name of the educational establishment (in Vietnamese and English), form of investment, and level at which training will be provided.
2. Number of the investment licence and date on which it was issued.
3. Name of the director or principal.
4. Address of the establishment and contact details (telephone and fax numbers, e-mail address and website).
5. Name of bank and number of trading account.

Article 14 *Registration of activities, check and permission to commence operations*

1. After an educational establishment with foreign owned capital has been issued with an investment licence, it must complete the following work:
 - (a) Finalize its staffing organization and apparatus (by appointing a principal or director; and by recruiting teachers, lecturers and other staff);
 - (b) Build physical facilities and install equipment in accordance with the investment plan;
 - (c) Formulate and finalize the operational rules of the establishment;
 - (d) Formulate a plan for enrolment of students for the first year and in initial courses of the establishment;
 - (e) Conduct procedures for administrative work of the establishment (open a bank account, engrave a seal, register the accounting system and tax code, and so forth).
2. Within a time-limit of nine months from the date of issuance of an investment licence, the investor must conduct procedures to register the following activities:
 - (a) Educational establishments being high school, specialized secondary school and short-term educational and training establishments must carry out procedures for

registration of their activities with the Department of Education and Training in the locality where the establishment has been established;

- (b) Educational establishments at the college, university and post-graduate levels must carry out procedures for registration of their activities with the Ministry of Education and Training.

3. The file attached for a Certificate of Registration of Operation (Appendix 2):

- (a) List of board of management, director (principal), heads of sections and the chief accountant;
- (b) List of staff, teachers and lecturers, including any guest lecturers; with the professional qualifications of the teachers and lecturers;
- (c) Scholastic level or grade;
- (d) Faculties;
- (e) Scale of each level of student;
- (f) Students eligible for enrolment;
- (g) Procedures for and duration of enrolment;
- (h) Rules on tuition and other fees;
- (i) Sample form of degrees and diplomas which will be used;
- (j) Report on status of existing physical facilities;
- (k) Registration of teaching programs with the State administrative body directly managing education and training, specifically:
 - Educational establishments with foreign owned capital at the high school level, specialized secondary level, and those providing short-term training shall register their teaching programs with the Department of Education and Training in the locality where the establishment has been established;
 - Educational establishments with foreign owned capital at the college, university and post-graduate levels shall register their teaching programs with the Ministry of Education and Training.

4. Within a time-limit of fifteen (15) working days from the date of receipt of a valid file for registration of operation from an educational establishment with foreign owned capital, the State body directly managing education and training must check the file and prepare Minutes of Evaluation (in the form stipulated in Appendix 3) and, within fifteen (15) working days from the date of the Minutes, must issue a letter to the establishment confirming satisfaction or non-satisfaction of the conditions.

Upon receipt of the above letter confirming satisfaction of the conditions, the educational establishment with foreign owned capital shall be permitted to commence its activities in accordance with its plan.

If the State body directly managing education and training does not provide a letter confirming satisfaction of the conditions in accordance with regulations within twenty (20) working days from the date of the Minutes of Evaluation, the educational establishment

with foreign owned capital shall be permitted automatically to commence its activities in accordance with its plan.

5. If an inspection shows that an educational establishment with foreign owned capital has not yet satisfied the conditions for operation, the State administrative body for education and training must specify what remains to be done in the Minutes of Evaluation and must request such establishment to attend to the additional essential items within a stipulated time. Within a time-limit of fifteen (15) working days from the date when the establishment amends its plan and provides a written report thereon, the State education body directly managing such establishment shall conduct a re-evaluation.

CHAPTER III

Adding to Operations and Faculties in which Training is Provided, Expanding Scale or Range of Students Eligible for Enrolment, Opening a Branch, and Amending Teaching Program and Curriculum

Article 15 *Adding to operations and the faculties in which training is provided, expanding scale or range of students eligible for enrolment, and opening a branch*

If an educational establishment with foreign owned capital wishes to add to its business operations or the faculties in which training is provided, to expand its scale or range of students eligible for enrolment, or to open a branch outside the area stipulated in its investment licence, it must prepare a specific plan and submit it to the Ministry of Education and Training for the latter to obtain opinions from the concerned bodies and make a decision. An application file to open a branch in addition to the head office must contain a letter of approval from the people's committee of the province or city under central authority in the place where it is proposed to open the branch.

Article 16 *Amendment of teaching program and curriculum*

1. If an educational establishment with foreign owned capital wishes to amend its teaching program and curriculum, it must submit a submission and application to the State body directly managing education and training.
2. Within a time-limit of fifteen (15) working days from the date of receipt of a valid file from an educational establishment with foreign owned capital, the State administrative body for education and training must provide the investor with a written response, containing the results of consideration of the request.

CHAPTER IV
Dissolution, Demerger or Merger of
Educational Establishments with Foreign Owned Capital

Article 17 *Dissolution or suspension of operation of educational establishment with foreign owned capital*

As part of an investment project or business co-operation contract on education and training, the investor must include a plan to resolve issues in the event of dissolution or suspension of operation due to an event of *force majeure* or due to suspension of operation for breach of the laws of Vietnam. The plan must contain, not only provisions on resolution of financial and property issues the same as are required for other foreign invested enterprises, but also provisions on resolution of the interests of the students of such establishment.

Article 18 *Demerger, merger, consolidation or conversion of investment form of educational establishment with foreign owned capital*

Demerger, merger, consolidation or conversion of investment form of an educational establishment with foreign owned capital shall comply with articles 31 to 33 inclusive and articles 35 to 44 inclusive of Decree 24-2000-ND-CP of the Government dated 31 July 2000 providing detailed regulations on implementation of the *Law on Foreign Investment*.

CHAPTER V
Checks and Inspections and Dealing with Breaches

Article 19 *State administrative body in respect of educational establishments with foreign owned capital*

The Ministry of Education shall exercise the function of State administration of educational establishments with foreign owned capital throughout the whole country. The people's committee of a province or city under central authority shall exercise State administration of educational establishments with foreign owned capital which have been established in its locality in accordance with regulations of the Government.

Article 20 *Reporting regime, inspections and dealing with breaches*

1. Educational establishments with foreign owned capital must, during the process of their operation, implement the reporting regime by providing reports at the beginning, middle and end of a scholastic year to the State administrative body directly managing education and training.
2. Based on approved application files to establish establishments with foreign owned capital, the State administrative body directly managing education and training shall conduct inspections of the status of implementation of projects by investors.
3. The Ministry of Education and Departments of Education and Training shall, in accordance with their respective powers, conduct checks and inspections of teaching work (teaching

programs and curricula, issuance of degrees) and of lecturing and study conditions in order to ensure quality of education and training at educational establishments with foreign owned capital.

4. If an educational establishment with foreign owned capital fails to comply correctly with the reporting regime, depending on the seriousness of the breach, either the State administrative body directly managing education and training or the Ministry of Planning and Investment shall preside over co-ordination with the bodies concerned in order to:
 - (a) Require the educational establishment with foreign owned capital to explain in detail its failure to comply with the reporting regime;
 - (b) Deal with the breach, or notify the bodies concerned to co-ordinate in dealing with the breach, or notify the higher level body to deal with a breach outside the jurisdiction of the body.
5. If an educational establishment with foreign owned capital breaches the law or there is a reduction in the conditions stipulated in articles 5 to 9 inclusive in Chapter II of this Circular, the activities of the establishment shall be suspended temporarily and thereafter:
 - (a) The State administrative body directly managing education and training shall issue a decision on temporary suspension at the following levels:
 - Temporary suspension for a stipulated period of lecturing in one section of the establishment or throughout the entire establishment with foreign owned capital;
 - Temporary suspension for a stipulated period of enrolment of students in one section of the establishment or throughout the entire establishment with foreign owned capital.
 - (b) When issuing a decision on temporary suspension of one section of the establishment or throughout the entire establishment with foreign owned capital, the State body directly managing education and training shall request such establishment to take measures to remedy specific problems and shall stipulate the duration of the temporary suspension.
 - (c) If, after the duration of temporary suspension as stipulated in the decision, the establishment has remedied the problems as requested, the establishment shall provide a report thereon in order that the State body directly managing education and training may conduct a check and issue a decision permitting re-commencement of operations.
 - (d) Any decision on temporary suspension or any decision permitting re-commencement of operations must be agreed with the licence-issuing body and shall be notified to the Ministry of Planning and Investment, to other ministries and branches concerned, to the people's committee at the provincial level in the place where the establishment was established, and to the investor.
6. Depending on the seriousness of a breach, the Ministry of Education may recommend that the Ministry of Planning and Investment issue a decision revoking the investment licence of an establishment in breach.

7. If an educational establishment with foreign owned capital commits a serious breach of the law of Vietnam, the Ministry of Planning and Investment may issue a decision revoking the investment licence of such establishment.

CHAPTER VI

Organization of Implementation

Article 21

This Circular shall be of full force and effect after fifteen (15) days from the date of its publication in the Official Gazette.

Article 22

Ministries, localities or entities concerned should report any problem arising during implementation of this Circular to the Ministry of Education and Training and to the Ministry of Planning and Investment for amendment of or addition to the provisions in this Circular.

For the Minister of Planning and Investment

Deputy Minister

PHAN QUANG TRUNG

For the Minister of Education and Training

Deputy Minister

TRAN VAN NHUNG

APPENDIX 1

Investment shall be prioritized and encouraged in training in the following faculties by educational establishments with foreign owned capital:

1. Training to diploma level:

	<i>Faculty</i>	<i>Notes</i>
1	Informatics	Advanced skills, programmers and graphic designers
2	Computer technology	Technician level
3	Electrical engineering	Technician level
4	Foreign languages	
5	Administration - business	Basic and advanced levels
6	International accounting	
7	Auditing	
8	Office management	Office management as a profession; not including secretarial training
9	Hotel management	Not including technicians servicing hotels; Hotel staff and hotel receptionists
10	Marketing - enterprise management	

2. Level of specialized secondary school:

	<i>Faculty</i>		<i>Faculty</i>
1	Informatics	9	Knitting mills construction
2	Computer technology	10	Leather footwear
3	Telecommunications technology	11	Livestock breeding
4	Electrical engineering	12	Veterinary science
5	Chemical engineering	13	Fisheries
6	Thermal engineering	14	Cultivation
7	Metal materials processing	15	Food and beverage processing
8	Civil and industrial construction	16	Agricultural products processing

3. College, university and post-graduate levels:

	<i>Faculty</i>		<i>Faculty</i>
1	Biological technology	11	Petrochemical technology
2	Informatics technology (ICT)	12	Environmental studies
3	New materials technology	13	Agricultural studies
4	Chemical technology	14	Cultivation
5	Knitwear technology	15	Livestock breeding and veterinary science
6	Machine manufacture and Engineering	16	Civil and industrial construction
7	Electrical engineering	17	Ship building and operation
8	Electronic technology	18	Land and water science
9	Power technology	19	Industrial fine arts
10	Computer technology		