



VIETNAM



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New guidance for real estate brokers and trading floors

On December 30, 2015 the Ministry of Construction issued Circular No. 11/2015/TT-BXD (Circular 11) regulating the issuance of real estate brokers' practicing certificates; guiding the training on real estate brokerage and operation of real estate trading floors; and regulating the establishment and operation of real estate trading floors.

Circular 11 took effect on February 16, 2016 and will repeal and replace:

- Circular No. 13/2008/TT-BXD, dated May 21, 2008, of the Ministry of Construction guiding Decree No. 153/2007/ND-CP, dated October 15, 2007, of the Government regarding the guidance on implementation of the Law on Real Estate Business; and
- Decision No. 29/2007/QD-BXD, dated December 31, 2007, of the Minister of Construction issuing the framework training program on knowledge of real estate brokerage, property evaluation and management of real estate trading floors.

Practising certificate

According to Circular 11, Vietnamese citizens, Vietnamese residing overseas and foreigners are eligible to sit an exam for the real estate brokers' practising certificate (Practising Certificate) provided that they satisfy the following conditions:

- (a) Have full capacity for civil acts, and are not currently the subject of investigation for criminal liability or serving a prison sentence;
- (b) Have graduated from secondary school or higher; and

- (c) Have lodged an application file for registration and paid the fees for the exam.

The exam for the Practising Certificate is structured with two sections, including the basic knowledge section and the specialised knowledge section. Each section will last for 120 minutes and the language used in the exam is Vietnamese. If the examinee is a foreigner, he/she is permitted to use a translator. Anyone who already has a valid Practising Certificate from a foreign country or who requires reissuance of the Practising

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Certificate in place of an expired Practising Certificate needs to take the basic knowledge section of the exam only.

It is stipulated under Circular 11 that real estate brokerage certificates which were issued prior to July 1, 2015 will remain valid for five years as of July 1, 2015, while real estate brokerage certificates and Practising Certificates issued after July 1, 2015 will be valid for five years as of the issuance date.

Establishment and operation of the real estate trading floors

Under Circular 11, conditions applicable to the establishment of the real estate trading floors (the Trading Floor) are specified as follows:

- (a) the organisation or individual establishing the Trading Floor must establish an enterprise;
- (b) the Trading Floor must have at least two people holding Practising Certificates;
- (c) the person managing the operation of the Trading Floor (Floor Director) must have a Practising Certificate;
- (d) the Trading Floor must have operational rules, name and trading address which are stable for more than a 12 month period. The Department of Construction and clients must be notified of any changes; and
- (e) the Trading Floor must have a minimum area of 50m² and must have technical equipment satisfying operational requirements.

The Trading Floor shall be either an independent enterprise or a unit directly under the enterprise. Prior to the operational commencement of the Trading Floor, the enterprise is required to submit a dossier to the Department of Construction for management.

Circular 11 also provides for the management structure of the Trading Floor which includes the Floor Director together with a specialised section consistent with the operational scale of the Trading Floor.

The Trading Floors established prior to February 16, 2016 are permitted to continue operation, but by no later than July 1, 2016, these Trading Floors must fulfill all conditions stated in Circular 11.