INDOCHINE COUNSEL
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Special Alert

Vietnam's New Foreign Employment Rules: Greater Flexibility, New Compliance Challenges

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Introduction

On 20 October 2026, the Government issued Decree No. 393/2026/ND-CP ("**Decree 393**"), replacing Decree No. 219/2025/ND-CP ("**Decree 219**") on foreign employees working in Vietnam. Decree 393 will take effect on 5 December 2026.

Decree 393 relaxes certain qualification requirements, expands work permit ("**WP**") exemptions and simplifies application procedures. At the same time, it introduces stricter requirements for intra-corporate transfers, notifications and employer reporting.

This Special Alert summarises the key changes and the actions employers should take to ensure compliance.

More flexibility in hiring foreign talent

Decree 393 broadens the eligibility criteria for foreign professionals and expands the circumstances in which foreign employees may work in Vietnam without a WP.

Expanded qualification pathways

Foreign employees may qualify as Experts under several additional pathways, including:

- **Experience-based qualification:** At least five years of relevant work experience, without requiring a university degree.
- **Strategic technology sectors:** A relevant university degree or higher (or an equivalent qualification) in a

discipline covered by the strategic technology or strategic technology product lists, without a minimum work experience requirement.

- **Top-ranked universities:** A university degree with distinction academic results or more in science or technology from a qualifying top 500 university, together with at least one year of relevant work experience.
- **Specialised fields:** Specific qualification criteria for professionals in culture, arts, sports, education and scientific research, subject to applicable professional standards and supporting documents.

The minimum relevant work experience for Executive Directors heading and directly managing a particular field within an organisation or enterprise is also reduced from three years to two years.

Revised ICT and short-term assignment rules

Decree 393 limits intra-corporate transfers ("**ICT**") to Managers, Executive Directors and Experts who have been employed by a foreign enterprise for at least 12 consecutive months before their transfer to its commercial presence in Vietnam. Notably, Technical Workers are no longer covered by the ICT definition.

However, the maximum validity of a WP Exemption Certificate for qualifying ICT employees in the 11 service sectors covered by Vietnam's WTO commitments is extended from two years to three years.

For short-term assignments, the WP exemption threshold is revised to no more than 90 days in a calendar year, calculated cumulatively across one or more employers in Vietnam. Where the arrangement involves an employment relationship, including the hiring or use of labour and salary payment, a WP remains required.

Expanded WP exemptions

Additional exemption categories include:

- Foreign employees holding special visa exemption cards issued under Decree No. 221/2025/ND-CP;
- Foreign experts working in strategic technology sectors and their qualifying family members;
- Foreign employees recruited under the Prime Minister's National Programme for Artificial Intelligence Human Resource Development; and
- Certain foreign teaching, research and academic personnel.

Certain doctoral degree holders, Professors, Associate Professors engaged in educational or research activities and holders of special visa exemption cards may also work without a formal WP Exemption Certificate. However, employers must notify the competent authority at least three working days before commencement of work.

Simpler procedures, but more employer obligations

Decree 393 streamlines certain WP procedures while introducing additional documentation, notification and reporting requirements.

Simplified WP procedures

Requirement	Previous rules	Decree 393
WP renewal filing window	10–45 days before expiry	No earlier than 90 days and no later than 10 working days before expiry
WP renewal processing time	10 working days	5 working days
Medical certificate for renewal	Required	Removed from prescribed documents
Overseas medical certificates	Subject to mutual recognition requirements	Accepted without a mutual recognition agreement, subject to applicable requirements

Certain supporting documents may also be omitted where the relevant information is available through integrated government databases.

Additional employer compliance obligations

Employers should pay particular attention to the following new or revised requirements:

- **Criminal record documents:** Required for WP Exemption Certificate applications, unless the competent authority can retrieve the relevant information from the judicial record database.
- **Working location changes:** Employers must notify both the competent authority in the relevant locality and the authority that issued the WP or WP Exemption Certificate at least three working days before a foreign employee starts working at an additional or changed regular working location.
- **Periodic reporting:** Employers must maintain records of foreign employees and submit semi-annual and annual reports before 5 June and 5 December, respectively, as well as ad hoc reports where required. An exception applies where the relevant information can be retrieved from the foreign employee management database.
- **Labour subleasing:** Employers are expressly prohibited from subleasing foreign employees. Foreign employees must be recruited and employed to meet the employer's direct staffing needs.
- **Recruitment notification:** Recruitment notices for Vietnamese employees for positions intended to be filled by foreign employees must be made at least five working days before submission of the WP application, instead of five days under the previous rules. An exception applies to General Directors or Directors whose names are already recorded in the enterprise registration certificate.

Transitional rules: What happens to existing WPs?

WPs and WP Exemption Certificates issued, re-issued or renewed under Decree 219 or the preceding regulations will remain valid until their stated expiry dates.

Applications submitted before 5 December 2026 will generally continue to be processed under Decree 219, subject to specific transitional rules applicable to renewal applications under Resolution No. 24/2026/NQ-CP.

Importantly, existing WPs and WP Exemption Certificates issued to Technical Workers under ICT arrangements will remain valid until expiry. Upon expiry, these employees may qualify for re-issuance or renewal as Experts if they satisfy the new requirement of at least five years of relevant work experience.

Employers should review affected employees and assess their eligibility before their existing documents expire.

What employers should do before 5 December 2026

To prepare for Decree 393, employers should prioritise the following actions:

- **Review foreign employee qualifications:** Reassess the eligibility of Experts, Executive Directors and Technical Workers under the revised criteria.
- **Reassess assignment arrangements:** Review ICT eligibility, short-term assignments and the cumulative 90-day exemption threshold.
- **Update WP procedures:** Revise application checklists, supporting document requirements and renewal schedules.
- **Strengthen compliance controls:** Establish procedures for tracking working location changes, maintaining foreign employee records and meeting reporting deadlines.
- **Review staffing arrangements:** Ensure that foreign employees are directly recruited and employed to meet the employer's staffing needs, in compliance with the prohibition on labour subleasing.

Conclusion

Decree 393 provides employers with greater flexibility in recruiting foreign talent, but also increases accountability for managing and reporting foreign employees. With the new rules taking effect on 5 December 2026, employers should review their existing arrangements and update internal procedures to ensure compliance.

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