# Current situation of Business Register in Vietnam

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# Responsibilities on BR

There are three agencies have been concerning to the BRs

1. Ministry of Planning and Investment (MPI)

2. General Statistics Office (GSO)

3. General Department of Taxation (GDT)

# Responsibilities on BR

1. MPI
- Issue the license to the new enterprise when it has established.

2. GDT
- Issue the tax code to each enterprise and follow-up its tax obligations based on official regulations.

3. GSO
- Updating and maintaining the BR database for statistical purposes (BDS).

# Process

- Business Register: individuals/enterprises/ organization apply business registration form to Business Registration Division of Department of Planning and Investment at Province (belong to MPI) for business operating license.

- Register for new tax code to pay taxes: after individuals/enterprises/ organization have a certificate of business registration or license for establishment and operation of investment, and then they have to apply tax registration form for tax code to taxation agency;

*Since 2009, we decided use tax code for three agencies relating business register, but we have data with unified enterprise code for data from 2011 only.*

# Information source for business registers

- Ministry of Planning and Investment (MPI): information of business registration forms of enterprises (newly, close, bankrupt).

- General Department of Taxation (GDT): information on register tax code when enterprises are established; information on payment taxes;

- General Statistics Office (GSO): from MPI and GDT for new enterprises; from Enterprises Survey, Establishment Census, Individual Business Establishment Survey for updating and maintainning the Business database for statistics;

# What kind of BDS?

❖ **BDS - Business Database for Statistics (at GSO)**

BDS consists of database/information on:

- Enterprises, including Corporation/Enterprise groups

- Local Unit (Establishment by location)

- Business households/individual business establishments

- Administrative organisation/non-profit institutions

- Individual has to pay personal income tax

# BDS

➢ BDS at the GSO is business database on sample population and be used for sampling selection to conduct statistical sample surveys.

➢ BDS consists of some main indentified indicators such as:

- ✓ Name;
- ✓ Tax code;
- ✓ Address; Telephone/email/fax number;
- ✓ Type of ownership; capital and assets (oversea ownership)
- ✓ Main Business activity/industry;
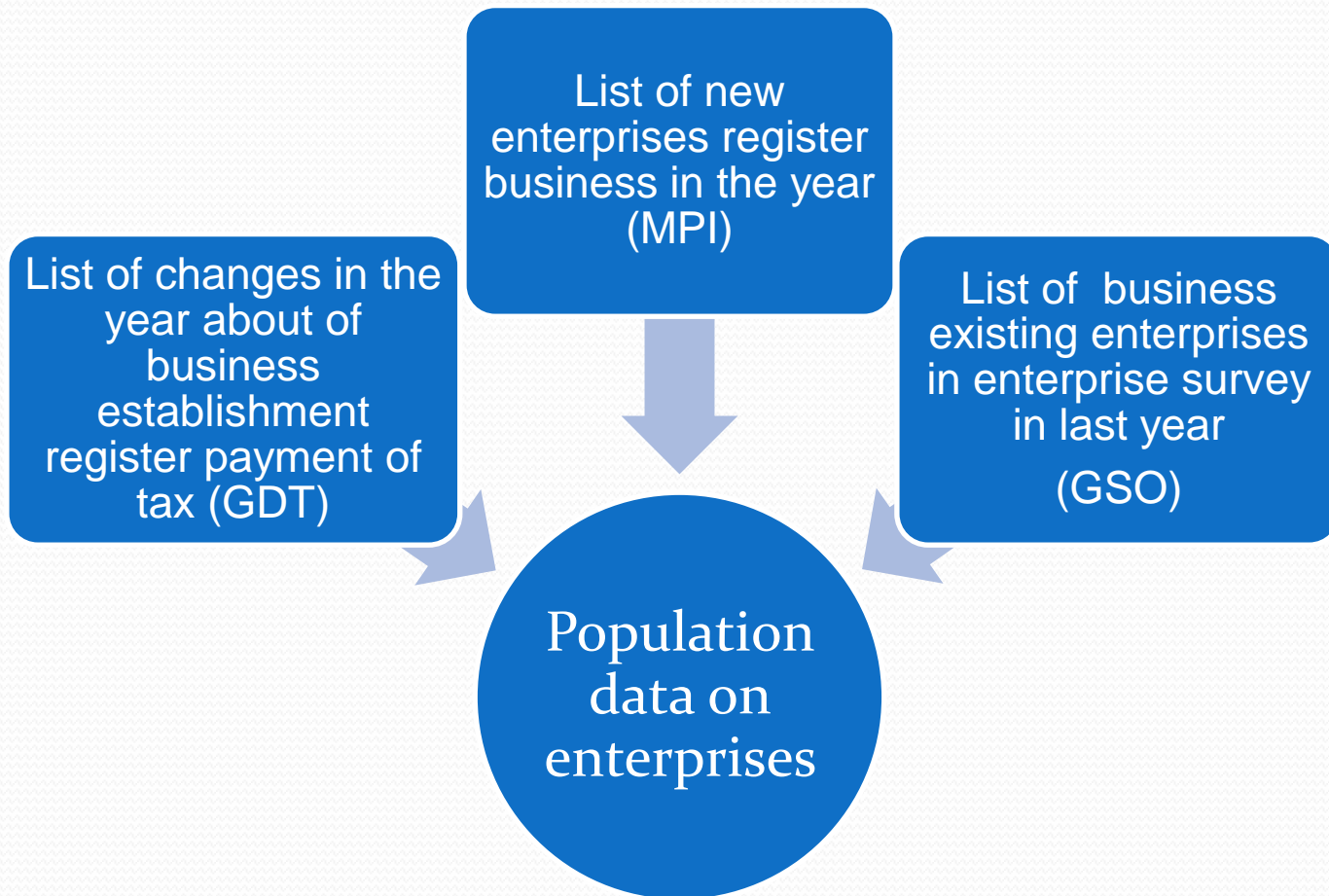- ✓ Turnover/revenue; Employment;

# BDS's data source at GSO

❖ GSO Annual enterprise survey;

❖ GSO Annual individual/household business survey;

❖ Report from Provincial Statistics Office on number of newly enterprises as well as the number of enterprises were closed business or bankcrupt in reporting period;

*(This source from the Provincial Planning and Investment Department)*

❖ GSO Economic census (every 5 year);

❖ Monthly report from GDT on change number of enterprise have tax code and exiting taxes payment

# Merge of information

List of new enterprises register business in the year (MPI)

List of changes in the year about of business establishment register payment of tax (GDT)

List of business existing enterprises in enterprise survey in last year (GSO)

Population data on enterprises

# Difficulties, issues of related Agencies

***There are having data different on number of enterprises among three agency, because:***

- MPI issue business register license but they don't follow-up and don't know how situation on business operating of enterprises in reality;

- GDT keeps in their database information about enterprises were stopped operating for long time (some case for 2-3 years) if the enterprise has taxes debt and not have done bankrupt procedure yet.

- GSO only record and collect detailed data the enterprises and Individual Business Establishments is operating actually by survey/census

# Data different

For example:

The number of enterprise in BR of each agency at 31/12/2011:

- MPI: about 460 thousand
- GDT: about 400 thousand
- GSO: 380 thousand

*Question: Which data is correct?*

# Plan in future

- Monthly, GSO cooperate with GDT and MPI to update information about business register (enterprise);

- Three agencies will sharing information related to enterprise business register on-line;

- Regular review (monthly) database for checking and unifying the number of enterprises have been operating their business activities.

- Clarify the data different of each agency.

# Plan in future (cont.)

- GSO will continue update the establishment database based on every 5 year Establishment census.

- Recently statistical survey unit is enterprise, GSO has future plan to use establishment unit for kind of activity  survey unit for data collection on regional/location classification purpose.

  *(Vietnam still collect and compile GDP by province to serve Provincial Government authority' management on economic-social development at provincial level).*

Thank you !